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H. R. 4137

One Hundred Tenth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Thursday, the third day of January, two thousand and eight

An Act

To amend and extend the Higher Education Act of 1965, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Higher Education Opportunity Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

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SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall

be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

SEC. 3. GENERAL EFFECTIVE DATE.

Except as otherwise provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

TITLE I—GENERAL PROVISIONS

SEC. 101. GENERAL DEFINITION OF INSTITUTION OF HIGHER EDUCATION.

(a) AMENDMENTS.—Section 101 (20 U.S.C. 1001) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting before the semicolon the following: ", or persons who meet the requirements of section 484(d)(3)"; and

(B) in paragraph (3), by inserting ", or awards a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by the Secretary" after "such a degree"; and

(2) by striking paragraph (2) of subsection (b) and inserting the following:

"(2) a public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1), admits as regular students individuals—

"(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

"(B) who will be dually or concurrently enrolled in the institution and a secondary school.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2010.

SEC. 102. DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.

(a) INTERNATIONAL MEDICAL SCHOOLS AND NURSING SCHOOLS.—Section 102(a)(2) (20 U.S.C. 1002(a)(2)) is amended—

(1) in subparagraph (A)—

(A) in the first sentence of the matter preceding clause (i), by inserting "nursing school," after "graduate medical school,";

(B) in clause (i)—

(i) in the matter preceding subclause (I), by inserting "except as provided in subparagraph (B)(iii)(IV)," before "in the case"; and

(ii) by striking subclause (II) and inserting the following new subclause:

"(II) the institution—

"(aa) has or had a clinical training program that was approved by a State as of January 1, 1992; and

"(bb) continues to operate a clinical training program in at least one State that is approved by that State;";

(C) in clause (ii), by striking the period at the end and inserting "; or"; and

(D) by adding at the end the following:

"(iii) in the case of a nursing school located outside of the United States—

"(I) the nursing school has an agreement with a hospital, or accredited school of nursing (as such terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296)), located in the United States that requires the students of the nursing school to complete the students' clinical training at such hospital or accredited school of nursing;

"(II) the nursing school has an agreement with an accredited school of nursing located in the United States providing that the students graduating from the nursing school located outside of the United States also receive a degree from the accredited school of nursing located in the United States;

"(III) the nursing school certifies only Federal Stafford Loans under section 428, unsubsidized Federal Stafford Loans under section 428H, or Federal PLUS loans under section 428B for students attending the institution;

"(IV) the nursing school reimburses the Secretary for the cost of any loan defaults for current and former students included in the calculation of the institution's cohort default rate during the previous fiscal year; and

"(V) not less than 75 percent of the individuals who were students or graduates of the nursing school, and who took the National Council Licensure Examination for Registered Nurses in the year preceding the year for which the institution is certifying a Federal Stafford Loan under section 428, an unsubsidized Federal Stafford Loan under section 428H, or a Federal PLUS loan under section 428B, received a passing score on such examination."; and

(2) in subparagraph (B), by adding at the end the following:

"(iii) REPORT.—

"(I) IN GENERAL.—Not later than 1 year after the date of enactment of the Higher Education Opportunity Act, the advisory panel described in clause (i) shall submit a report to the Secretary and to the authorizing committees recommending eligibility criteria for participation in the loan programs under part B of title IV for graduate medical schools that—

"(aa) are located outside of the United States;

"(bb) do not meet the requirements of subparagraph (A)(i); and

"(cc) have a clinical training program approved by a State prior to January 1, 2008.

"(II) RECOMMENDATIONS.—In the report described in subclause (I), the advisory panel's eligibility criteria shall include recommendations

regarding the appropriate levels of performance for graduate medical schools described in such subclause in the following areas:

"(aa) Entrance requirements.

"(bb) Retention and graduation rates.

"(cc) Successful placement of students in United States medical residency programs.

"(dd) Passage rate of students on the United States Medical Licensing Examination.

"(ee) The extent to which State medical boards have assessed the quality of such school's program of instruction, including through on-site reviews.

"(ff) The extent to which graduates of such schools would be unable to practice medicine in 1 or more States, based on the judgment of a State medical board.

"(gg) Any areas recommended by the Comptroller General of the United States under section 1101 of the Higher Education Opportunity Act.

"(hh) Any additional areas the Secretary may require.

"(III) MINIMUM ELIGIBILITY REQUIREMENT.—In the recommendations described in subclause (II), the criteria described in subparagraph (A)(i)(I)(bb), as amended by section 102(b) of the Higher Education Opportunity Act, shall be a minimum eligibility requirement for a graduate medical school described in subclause (I) to participate in the loan programs under part B of title IV.

"(IV) AUTHORITY.—The Secretary may—

"(aa) not earlier than 180 days after the submission of the report described in subclause (I), issue proposed regulations establishing criteria for the eligibility of graduate medical schools described in such subclause to participate in the loan programs under part B of title IV based on the recommendations of such report; and

"(bb) not earlier than one year after the issuance of proposed regulations under item (aa), issue final regulations establishing such criteria for eligibility.".

(b) PERCENTAGE PASS RATE.—Section 102(a)(2)(A)(i)(I)(bb) (20 U.S.C. 1002(a)(2)(A)(i)(I)(bb)) is amended by striking "60" and inserting "75".

(c) CONFORMING AMENDMENT CONCERNING 90/10 ENFORCEMENT.—Section 102(b)(1) (20 U.S.C. 1002(b)(1)) is amended—

(1) in subparagraph (D), by adding "and" after the semicolon;

(2) in subparagraph (E), by striking "; and" and inserting a period; and

(3) by striking subparagraph (F).

(d) ADDITIONAL INSTITUTIONS.—

(1) AMENDMENT.—Section 102 (20 U.S.C. 1002) is further amended—

(A) in subsection (b)—

(i) by striking paragraph (1)(A) and inserting the following:

"(A)(i) provides an eligible program of training to prepare students for gainful employment in a recognized occupation; or

"(ii)(I) provides a program leading to a baccalaureate degree in liberal arts, and has provided such a program since January 1, 2009; and

"(II) is accredited by a recognized regional accrediting agency or association, and has continuously held such accreditation since October 1, 2007, or earlier;"; and

(ii) by striking paragraph (2) and inserting the following:

"(2) ADDITIONAL INSTITUTIONS.—The term 'proprietary institution of higher education' also includes a proprietary educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students individuals—

"(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

"(B) who will be dually or concurrently enrolled in the institution and a secondary school."; and

(B) by striking paragraph (2) of subsection (c) and inserting the following:

"(2) ADDITIONAL INSTITUTIONS.—The term 'postsecondary vocational institution' also includes an educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students individuals—

"(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

"(B) who will be dually or concurrently enrolled in the institution and a secondary school.".

(2) RULE OF CONSTRUCTION.—Nothing in the amendment made by paragraph (1)(A)(i) to section 102(b)(1)(A) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)(1)(A)) shall be construed to negate or supercede any State laws governing proprietary institutions of higher education.

(e) EFFECTIVE DATE.—The amendments made by subsections (a)(1), (b), and (d) shall take effect on July 1, 2010.

SEC. 103. ADDITIONAL DEFINITIONS.

(a) ADDITIONAL DEFINITIONS.—

(1) AMENDMENT.—Section 103 (20 U.S.C. 1003) is amended by adding at the end the following:

"(17) AUTHORIZING COMMITTEES.—The term 'authorizing committees' means the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives.

"(18) CRITICAL FOREIGN LANGUAGE.—Except as otherwise provided, the term 'critical foreign language' means each of the languages contained in the list of critical languages designated by the Secretary in the Federal Register on August 2, 1985 (50 Fed. Reg. 31412; promulgated under the authority of section 212(d) of the Education for Economic Security Act (repealed by section 2303 of the Augustus F. Hawkins-Robert

T. Stafford Elementary and Secondary School Improvement Amendments of 1988)), as updated by the Secretary from time to time and published in the Federal Register, except that in the implementation of this definition with respect to a specific title, the Secretary may set priorities according to the purposes of such title and the national security, economic competitiveness, and educational needs of the United States.

"(19) DISTANCE EDUCATION.—

"(A) IN GENERAL.—Except as otherwise provided, the term 'distance education' means education that uses one or more of the technologies described in subparagraph (B)—

"(i) to deliver instruction to students who are separated from the instructor; and

"(ii) to support regular and substantive interaction between the students and the instructor, synchronously or asynchronously.

"(B) INCLUSIONS.—For the purposes of subparagraph (A), the technologies used may include—

"(i) the Internet;

"(ii) one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;

"(iii) audio conferencing; or

"(iv) video cassettes, DVDs, and CD–ROMs, if the cassettes, DVDs, or CD–ROMs are used in a course in conjunction with any of the technologies listed in clauses (i) through (iii).

"(20) DIPLOMA MILL.—The term 'diploma mill' means an entity that—

"(A)(i) offers, for a fee, degrees, diplomas, or certificates, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certificate has completed a program of postsecondary education or training; and

"(ii) requires such individual to complete little or no education or coursework to obtain such degree, diploma, or certificate; and

"(B) lacks accreditation by an accrediting agency or association that is recognized as an accrediting agency or association of institutions of higher education (as such term is defined in section 102) by—

"(i) the Secretary pursuant to subpart 2 of part H of title IV; or

"(ii) a Federal agency, State government, or other organization or association that recognizes accrediting agencies or associations.

"(21) EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'early childhood education program' means—

"(A) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), including a migrant or seasonal Head Start program, an Indian Head Start program, or a Head Start program or an Early Head Start program that also receives State funding;

"(B) a State licensed or regulated child care program; or

"(C) a program that—

"(i) serves children from birth through age six that addresses the children's cognitive (including language, early literacy, and early mathematics), social, emotional, and physical development; and

"(ii) is—

"(I) a State prekindergarten program;

"(II) a program authorized under section 619 or part C of the Individuals with Disabilities Education Act; or

"(III) a program operated by a local educational agency.

"(22) POVERTY LINE.—The term 'poverty line' means the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

"(23) UNIVERSAL DESIGN.—The term 'universal design' has the meaning given the term in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).

"(24) UNIVERSAL DESIGN FOR LEARNING.—The term 'universal design for learning' means a scientifically valid framework for guiding educational practice that—

"(A) provides flexibility in the ways information is presented, in the ways students respond or demonstrate knowledge and skills, and in the ways students are engaged; and

"(B) reduces barriers in instruction, provides appropriate accommodations, supports, and challenges, and maintains high achievement expectations for all students, including students with disabilities and students who are limited English proficient.".

(2) REDESIGNATION AND REORDERING OF DEFINITIONS.—Section 103 (as amended by paragraph (1)) (20 U.S.C. 1003) is further amended by reordering paragraphs (1) through (16) and the paragraphs added by paragraph (1) of this subsection in alphabetical order based on the headings of such paragraphs, and renumbering such paragraphs as so reordered.

(b) CONFORMING AMENDMENTS.—The Act (20 U.S.C. 1001 et seq.) is amended—

(1) in section 131(a)(3)(B) (20 U.S.C. 1015(a)(3)(B)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(2) in section 141(d)(4)(B) (20 U.S.C. 1018(d)(4)(B)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(3) in section 401(f)(3) (20 U.S.C. 1070a(f)(3)), by striking "to the Committee on Appropriations" and all that follows through "House of Representatives" and inserting "to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees";

(4) in section 428 (20 U.S.C. 1078)—

(A) in subsection (c)(9)(K), by striking "House Committee on Education and the Workforce and the Senate Committee on Labor and Human Resources" and inserting "authorizing committees";

(B) in the matter following paragraph (2) of subsection (g), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(C) in subsection (j)(9)(A) (as added by section 5(a) of the Ensuring Continued Access to Student Loans Act of 2008), by striking "Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives" each place the term appears and inserting "authorizing committees"; and

(D) in subsection (n)(4), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(5) in section 428A(c) (20 U.S.C. 1078–1(c))—

(A) in the matter preceding subparagraph (A) of paragraph (2), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees";

(B) in paragraph (3), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees"; and

(C) in paragraph (5), by striking "Chairperson" and all that follows through "House of Representatives" and inserting "members of the authorizing committees";

(6) in section 432 (20 U.S.C. 1082)—

(A) in subsection (f)(1)(C), by striking "the Committee on Education and the Workforce of the House of Representatives or the Committee on Labor and Human Resources of the Senate" and inserting "either of the authorizing committees"; and

(B) in the matter following subparagraph (D) of subsection (n)(3), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(7) in section 437(c)(1) (20 U.S.C. 1087(c)(1)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(8) in section 455(b)(8)(B) (20 U.S.C. 1087e(b)(8)(B)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(9) in section 482(d) (20 U.S.C. 1089(d)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives" and inserting "authorizing committees";

(10) in section 483(c) (20 U.S.C. 1090(c)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees";

(11) in section 485(f)(5)(A) (20 U.S.C. 1092(f)(5)(A)), by striking "Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "authorizing committees";

(12) in section 486(e) (20 U.S.C. 1093(e)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees"; and

(13) in section 487A(a)(5) (20 U.S.C. 1094a(a)(5)), by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "authorizing committees".

SEC. 104. PROTECTION OF STUDENT SPEECH AND ASSOCIATION RIGHTS.

Section 112 (20 U.S.C. 1011a) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before "It is the sense"; and

(B) by adding at the end the following:

"(2) It is the sense of Congress that—

"(A) the diversity of institutions and educational missions is one of the key strengths of American higher education;

"(B) individual institutions of higher education have different missions and each institution should design its academic program in accordance with its educational goals;

"(C) an institution of higher education should facilitate the free and open exchange of ideas;

"(D) students should not be intimidated, harassed, discouraged from speaking out, or discriminated against;

"(E) students should be treated equally and fairly; and

"(F) nothing in this paragraph shall be construed to modify, change, or infringe upon any constitutionally protected religious liberty, freedom, expression, or association."; and

(2) in subsection (b)(1), by inserting ", provided that the imposition of such sanction is done objectively and fairly" after "higher education".

SEC. 105. TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE.

Section 113 (20 U.S.C. 1011b) is amended—

(1) by striking "**TREATMENT OF TERRITORIES AND TERRITORIAL STUDENT ASSISTANCE**" in the heading of such section and inserting "**TERRITORIAL WAIVER AUTHORITY**";

(2) by striking "(a) WAIVER AUTHORITY.—"; and

(3) by striking subsection (b).

SEC. 106. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

(a) AMENDMENT.—Section 114 (20 U.S.C. 1011c) is amended to read as follows:

"SEC. 114. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

"(a) ESTABLISHMENT.—There is established in the Department a National Advisory Committee on Institutional Quality and Integrity (in this section referred to as the 'Committee') to assess the process of accreditation and the institutional eligibility and certification of institutions of higher education (as defined in section 102) under title IV.

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Committee shall have 18 members, of which—

"(A) six members shall be appointed by the Secretary;

"(B) six members shall be appointed by the Speaker of the House of Representatives, three of whom shall be appointed on the recommendation of the majority leader of the House of Representatives, and three of whom shall be appointed on the recommendation of the minority leader of the House of Representatives; and

"(C) six members shall be appointed by the President pro tempore of the Senate, three of whom shall be appointed on the recommendation of the majority leader of the Senate, and three of whom shall be appointed on the recommendation of the minority leader of the Senate.

"(2) QUALIFICATIONS.—Individuals shall be appointed as members of the Committee—

"(A) on the basis of the individuals' experience, integrity, impartiality, and good judgment;

"(B) from among individuals who are representatives of, or knowledgeable concerning, education and training beyond secondary education, representing all sectors and types of institutions of higher education (as defined in section 102); and

"(C) on the basis of the individuals' technical qualifications, professional standing, and demonstrated knowledge in the fields of accreditation and administration in higher education.

"(3) TERMS OF MEMBERS.—Except as provided in paragraph (5), the term of office of each member of the Committee shall be for six years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

"(4) VACANCY.—A vacancy on the Committee shall be filled in the same manner as the original appointment was made not later than 90 days after the vacancy occurs. If a vacancy occurs in a position to be filled by the Secretary, the Secretary shall publish a Federal Register notice soliciting nominations for the position not later than 30 days after being notified of the vacancy.

"(5) INITIAL TERMS.—The terms of office for the initial members of the Committee shall be—

"(A) three years for members appointed under paragraph (1)(A);

"(B) four years for members appointed under paragraph (1)(B); and

"(C) six years for members appointed under paragraph (1)(C).

"(6) CHAIRPERSON.—The members of the Committee shall select a chairperson from among the members.

"(c) FUNCTIONS.—The Committee shall—

"(1) advise the Secretary with respect to establishment and enforcement of the standards of accrediting agencies or associations under subpart 2 of part H of title IV;

"(2) advise the Secretary with respect to the recognition of a specific accrediting agency or association;

"(3) advise the Secretary with respect to the preparation and publication of the list of nationally recognized accrediting agencies and associations;

"(4) advise the Secretary with respect to the eligibility and certification process for institutions of higher education under title IV, together with recommendations for improvements in such process;

"(5) advise the Secretary with respect to the relationship between—

"(A) accreditation of institutions of higher education and the certification and eligibility of such institutions; and

"(B) State licensing responsibilities with respect to such institutions; and

"(6) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe by regulation.

"(d) MEETING PROCEDURES.—

"(1) SCHEDULE.—

"(A) BIANNUAL MEETINGS.—The Committee shall meet not less often than twice each year, at the call of the Chairperson.

"(B) PUBLICATION OF DATE.—The Committee shall submit the date and location of each meeting in advance to the Secretary, and the Secretary shall publish such information in the Federal Register not later than 30 days before the meeting.

"(2) AGENDA.—

"(A) ESTABLISHMENT.—The agenda for a meeting of the Committee shall be established by the Chairperson and shall be submitted to the members of the Committee upon notification of the meeting.

"(B) OPPORTUNITY FOR PUBLIC COMMENT.—The agenda shall include, at a minimum, opportunity for public comment during the Committee's deliberations.

"(3) SECRETARY'S DESIGNEE.—The Secretary shall designate an employee of the Department to serve as the Secretary's designee to the Committee, and the Chairperson shall invite the Secretary's designee to attend all meetings of the Committee.

"(4) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee, except that section 14 of such Act shall not apply.

"(e) REPORT AND NOTICE.—

"(1) NOTICE.—The Secretary shall annually publish in the Federal Register—

"(A) a list containing, for each member of the Committee—

"(i) the member's name;

"(ii) the date of the expiration of the member's term of office; and

"(iii) the name of the individual described in subsection (b)(1) who appointed the member; and

"(B) a solicitation of nominations for each expiring term of office on the Committee of a member appointed by the Secretary.

"(2) REPORT.—Not later than the last day of each fiscal year, the Committee shall make available an annual report to the Secretary, the authorizing committees, and the public. The annual report shall contain—

"(A) a detailed summary of the agenda and activities of, and the findings and recommendations made by, the Committee during the fiscal year preceding the fiscal year in which the report is made;

"(B) a list of the date and location of each meeting during the fiscal year preceding the fiscal year in which the report is made;

"(C) a list of the members of the Committee; and

"(D) a list of the functions of the Committee, including any additional functions established by the Secretary through regulation.

"(f) TERMINATION.—The Committee shall terminate on September 30, 2014.".

(b) TRANSITION.—Notwithstanding section 114 of the Higher Education Act of 1965 (20 U.S.C. 1011c) (as in effect before, during, and after the date of enactment of this Act)—

(1) the term of each member appointed to the National Advisory Committee on Institutional Quality and Integrity before the date of enactment of this Act shall expire on the date of enactment of this Act;

(2) no new members shall be appointed to the National Advisory Committee on Institutional Quality and Integrity during the period beginning on the date of enactment of this Act and ending on January 31, 2009; and

(3) no meeting of the National Advisory Committee on Institutional Quality and Integrity shall be convened during such period.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2009.

SEC. 107. DRUG AND ALCOHOL ABUSE PREVENTION.

Section 120 (20 U.S.C. 1011i) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (A), by striking "and" after the semicolon;

(B) by redesignating subparagraph (B) as subparagraph (D); and

(C) by inserting after subparagraph (A) the following:

"(B) determine the number of drug and alcohol-related violations and fatalities that—

"(i) occur on the institution's campus (as defined in section 485(f)(6)), or as part of any of the institution's activities; and

"(ii) are reported to campus officials;

"(C) determine the number and type of sanctions described in paragraph (1)(E) that are imposed by the

institution as a result of drug and alcohol-related violations and fatalities on the institution's campus or as part of any of the institution's activities; and";

(2) in subsection (e)(5), by striking "$5,000,000" and all that follows through the period at the end and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years."; and

(3) by striking subsection (f).

SEC. 108. PRIOR RIGHTS AND OBLIGATIONS.

Section 121(a) (20 U.S.C. 1011j(a)) is amended—

(1) in paragraph (1), by striking "1999 and for each of the 4 succeeding fiscal years" and inserting "2009 and for each succeeding fiscal year"; and

(2) in paragraph (2), by striking "1999 and for each of the 4 succeeding fiscal years" and inserting "2009 and for each succeeding fiscal year".

SEC. 109. DIPLOMA MILLS.

Part B of title I (20 U.S.C. 1011 et seq.) is further amended by adding at the end the following:

"SEC. 123. DIPLOMA MILLS.

"(a) INFORMATION TO THE PUBLIC.—The Secretary shall maintain information and resources on the Department's website to assist students, families, and employers in understanding what a diploma mill is and how to identify and avoid diploma mills.

"(b) COLLABORATION.—The Secretary shall continue to collaborate with the United States Postal Service, the Federal Trade Commission, the Department of Justice (including the Federal Bureau of Investigation), the Internal Revenue Service, and the Office of Personnel Management to maximize Federal efforts to—

"(1) prevent, identify, and prosecute diploma mills; and

"(2) broadly disseminate to the public information about diploma mills, and resources to identify diploma mills.".

SEC. 110. IMPROVED INFORMATION CONCERNING THE FEDERAL STUDENT FINANCIAL AID WEBSITE.

(a) PROMOTION OF FEDERAL STUDENT FINANCIAL AID WEBSITE.—Section 131 (20 U.S.C. 1015) is amended by striking subsection (d) and inserting the following:

"(d) PROMOTION OF THE DEPARTMENT OF EDUCATION FEDERAL STUDENT FINANCIAL AID WEBSITE.—The Secretary shall display a link to the Federal student financial aid website of the Department in a prominent place on the homepage of the Department's website.

"(e) ENHANCED STUDENT FINANCIAL AID INFORMATION.—

"(1) IMPLEMENTATION.—The Secretary shall continue to improve the usefulness and accessibility of the information provided by the Department on college planning and student financial aid.

"(2) DISSEMINATION.—The Secretary shall continue to make the availability of the information on the Federal student financial aid website of the Department widely known, through a major media campaign and other forms of communication.

"(3) COORDINATION.—As a part of the efforts required under this subsection, the Secretary shall create one website accessible from the Department's website that fulfills the requirements under subsections (b), (f), and (g).".

(b) IMPROVED INFORMATION CONCERNING FINANCIAL AID FOR MILITARY MEMBERS AND VETERANS.—Section 131 (as amended by subsection (a)) (20 U.S.C. 1015) is further amended by adding at the end the following:

"(f) IMPROVED AVAILABILITY AND COORDINATION OF INFORMATION CONCERNING STUDENT FINANCIAL AID PROGRAMS FOR MILITARY MEMBERS AND VETERANS.—

"(1) COORDINATION.—The Secretary, in coordination with the Secretary of Defense and the Secretary of Veterans Affairs, shall create a searchable website that—

"(A) contains information, in simple and understandable terms, about all Federal and State student financial assistance, readmission requirements under section 484C, and other student services, for which members of the Armed Forces (including members of the National Guard and Reserves), veterans, and the dependents of such members or veterans may be eligible; and

"(B) is easily accessible through the website described in subsection (e)(3).

"(2) IMPLEMENTATION.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall make publicly available the Armed Forces information website described in paragraph (1).

"(3) DISSEMINATION.—The Secretary, in coordination with the Secretary of Defense and the Secretary of Veterans Affairs, shall make the availability of the Armed Forces information website described in paragraph (1) widely known to members of the Armed Forces (including members of the National Guard and Reserves), veterans, the dependents of such members or veterans, States, institutions of higher education, and the general public.

"(4) DEFINITION.—In this subsection, the term 'Federal and State student financial assistance' means any grant, loan, work assistance, tuition assistance, scholarship, fellowship, or other form of financial aid for pursuing a postsecondary education that is—

"(A) administered, sponsored, or supported by the Department of Education, the Department of Defense, the Department of Veterans Affairs, or a State; and

"(B) available to members of the Armed Forces (including members of the National Guard and Reserves), veterans, or the dependents of such members or veterans.

"(g) PROMOTION OF AVAILABILITY OF INFORMATION CONCERNING OTHER STUDENT FINANCIAL AID PROGRAMS.—

"(1) DEFINITION.—For purposes of this subsection, the term 'nondepartmental student financial assistance program' means any grant, loan, scholarship, fellowship, or other form of financial aid for students pursuing a postsecondary education that is—

"(A) distributed directly to the student or to the student's account at an institution of higher education; and

"(B) operated, sponsored, or supported by a Federal department or agency other than the Department of Education.

"(2) AVAILABILITY OF OTHER STUDENT FINANCIAL AID INFORMATION.—The Secretary shall ensure that—

"(A) not later than 90 days after the Secretary receives the information required under paragraph (3), the eligibility requirements, application procedures, financial terms and conditions, and other relevant information for each nondepartmental student financial assistance program are searchable and accessible through the Federal student financial aid website in a manner that is simple and understandable for students and the students' families; and

"(B) the website displaying the information described in subparagraph (A) includes a link to the National Database on Financial Assistance for the Study of Science, Technology, Engineering, and Mathematics pursuant to paragraph (4), and the information on military benefits under subsection (f), once such Database and information are available.

"(3) NONDEPARTMENTAL STUDENT FINANCIAL ASSISTANCE PROGRAMS.—The Secretary shall request all Federal departments and agencies to provide the information described in paragraph (2)(A), and each Federal department or agency shall—

"(A) promptly respond to surveys or other requests from the Secretary for the information described in such paragraph; and

"(B) identify for the Secretary any nondepartmental student financial assistance program operated, sponsored, or supported by such Federal department or agency.

"(4) NATIONAL STEM DATABASE.—

"(A) IN GENERAL.—The Secretary shall establish and maintain, on the website described in subsection (e)(3), a National Database on Financial Assistance for the Study of Science, Technology, Engineering, and Mathematics (in this paragraph referred to as the 'STEM Database'). The STEM Database shall consist of information on scholarships, fellowships, and other programs of Federal, State, local, and, to the maximum extent practicable, private financial assistance available for the study of science, technology, engineering, or mathematics at the postsecondary and postbaccalaureate levels.

"(B) DATABASE CONTENTS.—The information maintained on the STEM Database shall be displayed on the website in the following manner:

"(i) SEPARATE INFORMATION.—The STEM Database shall provide separate information for each of the fields of science, technology, engineering, and mathematics, and for postsecondary and postbaccalaureate programs of financial assistance.

"(ii) INFORMATION ON TARGETED ASSISTANCE.—The STEM Database shall provide specific information on any program of financial assistance that is targeted to individuals based on financial need, merit, or student characteristics.

"(iii) CONTACT AND WEBSITE INFORMATION.—The STEM Database shall provide—

"(I) standard contact information that an interested person may use to contact a sponsor of any program of financial assistance included in the STEM Database; and

"(II) if such sponsor maintains a public website, a link to the website.

"(iv) SEARCH AND MATCH CAPABILITIES.—The STEM Database shall—

"(I) have a search capability that permits an individual to search for information on the basis of each category of the information provided through the STEM Database and on the basis of combinations of categories of the information provided, including—

"(aa) whether the financial assistance is need- or merit-based; and

"(bb) by relevant academic majors; and

"(II) have a match capability that—

"(aa) searches the STEM Database for all financial assistance opportunities for which an individual may be qualified to apply, based on the student characteristics provided by such individual; and

"(bb) provides information to an individual for only those opportunities for which such individual is qualified, based on the student characteristics provided by such individual.

"(v) RECOMMENDATION AND DISCLAIMER.—The STEM Database shall provide, to the users of the STEM Database—

"(I) a recommendation that students and families should carefully review all of the application requirements prior to applying for any aid or program of student financial assistance; and

"(II) a disclaimer that the non-Federal programs of student financial assistance presented in the STEM Database are not provided or endorsed by the Department or the Federal Government.

"(C) COMPILATION OF FINANCIAL ASSISTANCE INFORMATION.—In carrying out this paragraph, the Secretary shall—

"(i) consult with public and private sources of scholarships, fellowships, and other programs of student financial assistance; and

"(ii) make easily available a process for such entities to provide regular and updated information about the scholarships, fellowships, or other programs of student financial assistance.

"(D) CONTRACT AUTHORIZED.—In carrying out the requirements of this paragraph, the Secretary is authorized to enter into a contract with a private entity with demonstrated expertise in creating and maintaining databases such as the one required under this paragraph, under which contract the entity shall furnish, and regularly

update, all of the information required to be maintained on the STEM Database.

"(5) DISSEMINATION OF INFORMATION.—The Secretary shall take such actions, on an ongoing basis, as may be necessary to disseminate information under this subsection and to encourage the use of the information by interested parties, including sending notices to secondary schools and institutions of higher education.".

(c) NO USER FEES FOR DEPARTMENT FINANCIAL AID WEBSITES.—Section 131 (as amended by subsection (b)) (20 U.S.C. 1015) is further amended by adding at the end the following:

"(h) NO USER FEES FOR DEPARTMENT FINANCIAL AID WEBSITES.—No fee shall be charged to any individual to access—

"(1) a database or website of the Department that provides information about higher education programs or student financial assistance, including the College Navigator website (or successor website) and the websites and databases described in this section and section 132; or

"(2) information about higher education programs or student financial assistance available through a database or website of the Department.".

SEC. 111. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

Part C of title I (20 U.S.C. 1015) is amended by adding at the end the following:

"SEC. 132. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

"(a) DEFINITIONS.—In this section:

"(1) COLLEGE NAVIGATOR WEBSITE.—The term 'College Navigator website' means the College Navigator website operated by the Department and includes any successor website.

"(2) COST OF ATTENDANCE.—The term 'cost of attendance' means the average annual cost of tuition and fees, room and board, books, supplies, and transportation for an institution of higher education for a first-time, full-time undergraduate student enrolled in the institution.

"(3) NET PRICE.—The term 'net price' means the average yearly price actually charged to first-time, full-time undergraduate students receiving student aid at an institution of higher education after deducting such aid, which shall be determined by calculating the difference between—

"(A) the institution's cost of attendance for the year for which the determination is made; and

"(B) the quotient of—

"(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such students enrolled in the institution for such year; and

"(ii) the total number of such students receiving such need-based grant aid or merit-based grant aid for such year.

"(4) TUITION AND FEES.—The term 'tuition and fees' means the average annual cost of tuition and fees for an institution of higher education for first-time, full-time undergraduate students enrolled in the institution.

"(b) CALCULATIONS FOR PUBLIC INSTITUTIONS.—In making the calculations regarding cost of attendance, net price, and tuition and fees under this section with respect to a public institution

of higher education, the Secretary shall calculate the cost of attendance, net price, and tuition and fees at such institution in the manner described in subsection (a), except that—

"(1) the cost of attendance, net price, and tuition and fees shall be calculated for first-time, full-time undergraduate students enrolled in the institution who are residents of the State in which such institution is located; and

"(2) in determining the net price, the average need-based grant aid and merit-based grant aid described in subsection (a)(3)(B) shall be calculated based on the average total amount of such aid received by first-time, full-time undergraduate students who are residents of the State in which such institution is located, divided by the total number of such resident students receiving such need-based grant aid or merit-based grant aid at such institution.

"(c) COLLEGE AFFORDABILITY AND TRANSPARENCY LISTS.—

"(1) AVAILABILITY OF LISTS.—Beginning July 1, 2011, the Secretary shall make publicly available on the College Navigator website, in a manner that is sortable and searchable by State, the following:

"(A) A list of the five percent of institutions in each category described in subsection (d) that have the highest tuition and fees for the most recent academic year for which data are available.

"(B) A list of the five percent of institutions in each such category that have the highest net price for the most recent academic year for which data are available.

"(C) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in tuition and fees over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.

"(D) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in net price over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.

"(E) A list of the ten percent of institutions in each such category that have the lowest tuition and fees for the most recent academic year for which data are available.

"(F) A list of the ten percent of institutions in each such category that have the lowest net price for the most recent academic year for which data are available.

"(2) ANNUAL UPDATES.—The Secretary shall annually update the lists described in paragraph (1) on the College Navigator website.

"(d) CATEGORIES OF INSTITUTIONS.—The lists described in subsection (c)(1) shall be compiled according to the following categories of institutions that participate in programs under title IV:

"(1) Four-year public institutions of higher education.

"(2) Four-year private, nonprofit institutions of higher education.

"(3) Four-year private, for-profit institutions of higher education.

"(4) Two-year public institutions of higher education.

"(5) Two-year private, nonprofit institutions of higher education.

"(6) Two-year private, for-profit institutions of higher education.

"(7) Less than two-year public institutions of higher education.

"(8) Less than two-year private, nonprofit institutions of higher education.

"(9) Less than two-year private, for-profit institutions of higher education.

"(e) REPORTS BY INSTITUTIONS.—

"(1) REPORT TO SECRETARY.—If an institution of higher education is included on a list described in subparagraph (C) or (D) of subsection (c)(1), the institution shall submit to the Secretary a report containing the following information:

"(A) A description of the major areas in the institution's budget with the greatest cost increases.

"(B) An explanation of the cost increases described in subparagraph (A).

"(C) A description of the steps the institution will take toward the goal of reducing costs in the areas described in subparagraph (A).

"(D) In the case of an institution that is included on the same list under subparagraph (C) or (D) of subsection (c)(1) for two or more consecutive years, a description of the progress made on the steps described in subparagraph (C) of this paragraph that were included in the institution's report for the previous year.

"(E) If the determination of any cost increase described in subparagraph (A) is not within the exclusive control of the institution—

"(i) an explanation of the extent to which the institution participates in determining such cost increase;

"(ii) the identification of the agency or instrumentality of State government responsible for determining such cost increase; and

"(iii) any other information the institution considers relevant to the report.

"(2) INFORMATION TO THE PUBLIC.—The Secretary shall—

"(A) issue an annual report that summarizes all of the reports by institutions required under paragraph (1) to the authorizing committees; and

"(B) publish such report on the College Navigator website.

"(f) EXEMPTIONS.—

"(1) IN GENERAL.—An institution shall not be placed on a list described in subparagraph (C) or (D) of subsection (c)(1), and shall not be subject to the reporting required under subsection (e), if the dollar amount of the institution's increase in tuition and fees, or net price, as applicable, is less than $600 for the three-year period described in such subparagraph.

"(2) UPDATE.—Beginning in 2014, and every three years thereafter, the Secretary shall update the dollar amount described in paragraph (1) based on annual increases in inflation, using the Consumer Price Index for each of the three most recent preceding years.

"(g) STATE HIGHER EDUCATION SPENDING CHART.—The Secretary shall annually report on the College Navigator website, in charts for each State, comparisons of—

"(1) the percentage change in spending by such State per full-time equivalent student at all public institutions of higher education in such State, for each of the five most recent preceding academic years;

"(2) the percentage change in tuition and fees for such students for all public institutions of higher education in such State for each of the five most recent preceding academic years; and

"(3) the percentage change in the total amount of need-based aid and merit-based aid provided by such State to full-time students enrolled in the public institutions of higher education in the State for each of the five most recent preceding academic years.

"(h) NET PRICE CALCULATOR.—

"(1) DEVELOPMENT OF NET PRICE CALCULATOR.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall, in consultation with institutions of higher education and other appropriate experts, develop a net price calculator to help current and prospective students, families, and other consumers estimate the individual net price of an institution of higher education for a student. The calculator shall be developed in a manner that enables current and prospective students, families, and consumers to determine an estimate of a current or prospective student's individual net price at a particular institution.

"(2) CALCULATION OF INDIVIDUAL NET PRICE.—For purposes of this subsection, an individual net price of an institution of higher education shall be calculated in the same manner as the net price of such institution is calculated under subsection (a)(3), except that the cost of attendance and the amount of need-based and merit-based aid available shall be calculated for the individual student as much as practicable.

"(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than two years after the date on which the Secretary makes the calculator developed under paragraph (1) available to institutions of higher education, each institution of higher education that receives Federal funds under title IV shall make publicly available on the institution's website a net price calculator to help current and prospective students, families, and other consumers estimate a student's individual net price at such institution of higher education. Such calculator may be a net price calculator developed—

"(A) by the Department pursuant to paragraph (1); or

"(B) by the institution of higher education, if the institution's calculator includes, at a minimum, the same data elements included in the calculator developed under paragraph (1).

"(4) DISCLAIMER.—Estimates of an individual net price determined using a net price calculator required under paragraph (3) shall be accompanied by a clear and conspicuous notice—

"(A) stating that the estimate—

"(i) does not represent a final determination, or actual award, of financial assistance;

"(ii) shall not be binding on the Secretary, the institution of higher education, or the State; and

"(iii) may change;

"(B) stating that the student must complete the Free Application for Federal Student Aid described in section 483 in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under title IV; and

"(C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 483.

"(i) CONSUMER INFORMATION.—

"(1) AVAILABILITY OF TITLE IV INSTITUTION INFORMATION.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall make publicly available on the College Navigator website, in simple and understandable terms, the following information about each institution of higher education that participates in programs under title IV, for the most recent academic year for which satisfactory data are available:

"(A) A statement of the institution's mission.

"(B) The total number of undergraduate students who applied to, were admitted by, and enrolled in the institution.

"(C) For institutions that require SAT or ACT scores to be submitted, the reading, writing, mathematics, and combined scores on the SAT or ACT, as applicable, for the middle 50 percent range of the institution's freshman class.

"(D) The number of first-time, full-time, and part-time students enrolled at the institution, at the undergraduate and (if applicable) graduate levels.

"(E) The number of degree- or certificate-seeking undergraduate students enrolled at the institution who have transferred from another institution.

"(F) The percentages of male and female undergraduate students enrolled at the institution.

"(G) Of the first-time, full-time, degree- or certificate-seeking undergraduate students enrolled at the institution—

"(i) the percentage of such students who are from the State in which the institution is located;

"(ii) the percentage of such students who are from other States; and

"(iii) the percentage of such students who are international students.

"(H) The percentages of first-time, full-time, degree- or certificate-seeking students enrolled at the institution, disaggregated by race and ethnic background.

"(I) The percentage of undergraduate students enrolled at the institution who are formally registered with the office of disability services of the institution (or the equivalent office) as students with disabilities, except that if such percentage is three percent or less, the institution shall report 'three percent or less'.

"(J) The percentages of first-time, full-time, degree- or certificate-seeking undergraduate students enrolled at the institution who obtain a degree or certificate within—

"(i) the normal time for completion of, or graduation from, the student's program;

"(ii) 150 percent of the normal time for completion of, or graduation from, the student's program; and

"(iii) 200 percent of the normal time for completion of, or graduation from, the student's program;

"(K) The number of certificates, associate degrees, baccalaureate degrees, master's degrees, professional degrees, and doctoral degrees awarded by the institution.

"(L) The undergraduate major areas of study at the institution with the highest number of degrees awarded.

"(M) The student-faculty ratio, the number of full-time and part-time faculty, and the number of graduate assistants with primarily instructional responsibilities, at the institution.

"(N)(i) The cost of attendance for first-time, full-time undergraduate students enrolled in the institution who live on campus;

"(ii) the cost of attendance for first-time, full-time undergraduate students enrolled in the institution who live off campus; and

"(iii) in the case of a public institution of higher education and notwithstanding subsection (b)(1), the costs described in clauses (i) and (ii), for—

"(I) first-time, full-time students enrolled in the institution who are residents of the State in which the institution is located; and

"(II) first-time, full-time students enrolled in the institution who are not residents of such State.

"(O) The average annual grant amount (including Federal, State, and institutional aid) awarded to a first-time, full-time undergraduate student enrolled at the institution who receives financial aid.

"(P) The average annual amount of Federal student loans provided through the institution to undergraduate students enrolled at the institution.

"(Q) The total annual grant aid awarded to undergraduate students enrolled at the institution, from the Federal Government, a State, the institution, and other sources known by the institution.

"(R) The percentage of first-time, full-time undergraduate students enrolled at the institution receiving Federal, State, and institutional grants, student loans, and any other type of student financial assistance known by the institution, provided publicly or through the institution, such as Federal work-study funds.

"(S) The number of students enrolled at the institution receiving Federal Pell Grants.

"(T) The institution's cohort default rate, as defined under section 435(m).

"(U) The information on campus safety required to be collected under section 485(i).

"(V) A link to the institution's website that provides, in an easily accessible manner, the following information:

"(i) Student activities offered by the institution.

"(ii) Services offered by the institution for individuals with disabilities.

"(iii) Career and placement services offered by the institution to students during and after enrollment.

"(iv) Policies of the institution related to transfer of credit from other institutions.

"(W) A link to the appropriate section of the Bureau of Labor Statistics website that provides information on regional data on starting salaries in all major occupations.

"(X) Information required to be submitted under paragraph (4) and a link to the institution pricing summary page described in paragraph (5).

"(Y) In the case of an institution that was required to submit a report under subsection (e)(1), a link to such report.

"(Z) The availability of alternative tuition plans, which may include guaranteed tuition plans.

"(2) ANNUAL UPDATES.—The Secretary shall annually update the information described in paragraph (1) on the College Navigator website.

"(3) CONSULTATION.—The Secretary shall regularly consult with current and prospective college students, family members of such students, institutions of higher education, and other experts to improve the usefulness and relevance of the College Navigator website, with respect to the presentation of the consumer information collected in paragraph (1).

"(4) DATA COLLECTION.—The Commissioner for Education Statistics shall continue to update and improve the Integrated Postsecondary Education Data System (referred to in this section as 'IPEDS'), including the reporting of information by institutions and the timeliness of the data collected.

"(5) INSTITUTION PRICING SUMMARY PAGE.—

"(A) AVAILABILITY OF LIST OF PARTICIPATING INSTITUTIONS.—The Secretary shall make publicly available on the College Navigator website in a sortable and searchable format a list of all institutions of higher education that participate in programs under title IV, which list shall, for each institution, include the following:

"(i) The tuition and fees for each of the three most recent academic years for which data are available.

"(ii) The net price for each of the three most recent available academic years for which data are available.

"(iii)(I) During the period beginning July 1, 2010, and ending June 30, 2013, the net price for students receiving Federal student financial aid under title IV, disaggregated by the income categories described in paragraph (6), for the most recent academic year for which data are available.

"(II) Beginning July 1, 2013, the net price for students receiving Federal student financial aid under title IV, disaggregated by the income categories described in paragraph (6), for each of the three most recent academic years for which data are available.

"(iv) The average annual percentage change and average annual dollar change in such institution's tuition and fees for each of the three most recent academic years for which data are available.

"(v) The average annual percentage change and average annual dollar change in such institution's net price for each of the three most recent preceding academic years for which data are available.

"(vi) A link to the webpage on the College Navigator website that provides the information described in paragraph (1) for the institution.

"(B) ANNUAL UPDATES.—The Secretary shall annually update the lists described in subparagraph (A) on the College Navigator website.

"(6) INCOME CATEGORIES.—

"(A) IN GENERAL.—For purposes of reporting the information required under this subsection, the following income categories shall apply for students who receive Federal student financial aid under title IV:

"(i) $0–30,000.

"(ii) $30,001–48,000.

"(iii) $48,001–75,000.

"(iv) $75,001–110,000.

"(v) $110,001 and more.

"(B) ADJUSTMENT.—The Secretary may adjust the income categories listed in subparagraph (A) using the Consumer Price Index if the Secretary determines such adjustment is necessary.

"(j) MULTI-YEAR TUITION CALCULATOR.—

"(1) DEVELOPMENT OF MULTI-YEAR TUITION CALCULATOR.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall, in consultation with institutions of higher education, financial planners, and other appropriate experts, develop a multi-year tuition calculator to help current and prospective students, families of such students, and other consumers estimate the amount of tuition an individual may pay to attend an institution of higher education in future years.

"(2) CALCULATION OF MULTI-YEAR TUITION.—The multi-year tuition calculator described in paragraph (1) shall—

"(A) allow an individual to select an institution of higher education for which the calculation shall be made;

"(B) calculate an estimate of tuition and fees for each year of the normal duration of the program of study at such institution by—

"(i) using the tuition and fees for such institution, as reported under subsection (i)(5)(A)(i), for the most recent academic year for which such data are reported; and

"(ii) determining an estimated annual percentage change for each year for which the calculation is made, based on the annual percentage change in such institution's tuition and fees, as reported under subsection (i)(5)(A)(iv), for the most recent three-year period for which such data are reported;

"(C) calculate an estimate of the total amount of tuition and fees to complete a program of study at such institution,

based on the normal duration of such program, using the estimate calculated under subparagraph (B) for each year of the program of study;

"(D) provide the individual with the option to replace the estimated annual percentage change described in subparagraph (B)(ii) with an alternative annual percentage change specified by the individual, and calculate an estimate of tuition and fees for each year and an estimate of the total amount of tuition and fees using the alternative percentage change;

"(E) in the case of an institution that offers a multi-year tuition guarantee program, allow the individual to have the estimates of tuition and fees described in subparagraphs (B) and (C) calculated based on the provisions of such guarantee program for the tuition and fees charged to a student, or cohort of students, enrolled for the duration of the program of study; and

"(F) include any other features or information determined to be appropriate by the Secretary.

"(3) AVAILABILITY AND COMPARISON.—The multi-year tuition calculator described in paragraph (1) shall be available on the College Navigator website and shall allow current and prospective students, families of such students, and consumers to compare information and estimates under this subsection for multiple institutions of higher education.

"(4) DISCLAIMER.—Each calculation of estimated tuition and fees made using the multi-year tuition calculator described in paragraph (1) shall be accompanied by a clear and conspicuous notice—

"(A) stating that the calculation—

"(i) is only an estimate and not a guarantee of the actual amount the student may be charged;

"(ii) is not binding on the Secretary, the institution of higher education, or the State; and

"(iii) may change, subject to the availability of financial assistance, State appropriations, and other factors;

"(B) stating that the student must complete the Free Application for Federal Student Aid described in section 483 in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under title IV; and

"(C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 483.

"(k) STUDENT AID RECIPIENT SURVEY.—

"(1) SURVEY REQUIRED.—The Secretary, acting through the Commissioner for Education Statistics, shall conduct, on a State-by-State basis, a survey of recipients of Federal student financial aid under title IV—

"(A) to identify the population of students receiving such Federal student financial aid;

"(B) to describe the income distribution and other socioeconomic characteristics of recipients of such Federal student financial aid;

"(C) to describe the combinations of aid from Federal, State, and private sources received by such recipients from all income categories;

"(D) to describe the—

"(i) debt burden of such loan recipients, and their capacity to repay their education debts; and

"(ii) the impact of such debt burden on the recipients' course of study and post-graduation plans;

"(E) to describe the impact of the cost of attendance of postsecondary education in the determination by students of what institution of higher education to attend; and

"(F) to describe how the costs of textbooks and other instructional materials affect the costs of postsecondary education for students.

"(2) FREQUENCY.—The survey shall be conducted on a regular cycle and not less often than once every four years.

"(3) SURVEY DESIGN.—The survey shall be representative of students from all types of institutions, including full-time and part-time students, undergraduate, graduate, and professional students, and current and former students.

"(4) DISSEMINATION.—The Commissioner for Education Statistics shall disseminate to the public, in printed and electronic form, the information resulting from the survey.

"(l) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out this section.".

SEC. 112. TEXTBOOK INFORMATION.

(a) AMENDMENT.—Part C of title I (20 U.S.C. 1015) is further amended by adding after section 132 (as added by section 111 of this Act) the following new section:

"SEC. 133. TEXTBOOK INFORMATION.

"(a) PURPOSE AND INTENT.—The purpose of this section is to ensure that students have access to affordable course materials by decreasing costs to students and enhancing transparency and disclosure with respect to the selection, purchase, sale, and use of course materials. It is the intent of this section to encourage all of the involved parties, including faculty, students, administrators, institutions of higher education, bookstores, distributors, and publishers, to work together to identify ways to decrease the cost of college textbooks and supplemental materials for students while supporting the academic freedom of faculty members to select high quality course materials for students.

"(b) DEFINITIONS.—In this section:

"(1) BUNDLE.—The term 'bundle' means one or more college textbooks or other supplemental materials that may be packaged together to be sold as course materials for one price.

"(2) COLLEGE TEXTBOOK.—The term 'college textbook' means a textbook or a set of textbooks, used for, or in conjunction with, a course in postsecondary education at an institution of higher education.

"(3) COURSE SCHEDULE.—The term 'course schedule' means a listing of the courses or classes offered by an institution of higher education for an academic period, as defined by the institution.

"(4) CUSTOM TEXTBOOK.—The term 'custom textbook'—

"(A) means a college textbook that is compiled by a publisher at the direction of a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education; and

"(B) may include, alone or in combination, items such as selections from original instructor materials, previously copyrighted publisher materials, copyrighted third-party works, and elements unique to a specific institution, such as commemorative editions.

"(5) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 102.

"(6) INTEGRATED TEXTBOOK.—The term 'integrated textbook' means a college textbook that is—

"(A) combined with materials developed by a third party and that, by third-party contractual agreement, may not be offered by publishers separately from the college textbook with which the materials are combined; or

"(B) combined with other materials that are so interrelated with the content of the college textbook that the separation of the college textbook from the other materials would render the college textbook unusable for its intended purpose.

"(7) PUBLISHER.—The term 'publisher' means a publisher of college textbooks or supplemental materials involved in or affecting interstate commerce.

"(8) SUBSTANTIAL CONTENT.—The term 'substantial content' means parts of a college textbook such as new chapters, new material covering additional eras of time, new themes, or new subject matter.

"(9) SUPPLEMENTAL MATERIAL.—The term 'supplemental material' means educational material developed to accompany a college textbook that—

"(A) may include printed materials, computer disks, website access, and electronically distributed materials; and

"(B) is not being used as a component of an integrated textbook.

"(c) PUBLISHER REQUIREMENTS.—

"(1) COLLEGE TEXTBOOK PRICING INFORMATION.—When a publisher provides a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education receiving Federal financial assistance with information regarding a college textbook or supplemental material, the publisher shall include, with any such information and in writing (which may include electronic communications), the following:

"(A) The price at which the publisher would make the college textbook or supplemental material available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the price at which the publisher makes the college textbook or supplemental material available to the public.

"(B) The copyright dates of the three previous editions of such college textbook, if any.

"(C) A description of the substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any.

"(D)(i) Whether the college textbook or supplemental material is available in any other format, including paperback and unbound; and

"(ii) for each other format of the college textbook or supplemental material, the price at which the publisher would make the college textbook or supplemental material in the other format available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the price at which the publisher makes such other format of the college textbook or supplemental material available to the public.

"(2) UNBUNDLING OF COLLEGE TEXTBOOKS FROM SUPPLEMENTAL MATERIALS.—A publisher that sells a college textbook and any supplemental material accompanying such college textbook as a single bundle shall also make available the college textbook and each supplemental material as separate and unbundled items, each separately priced.

"(3) CUSTOM TEXTBOOKS.—To the maximum extent practicable, a publisher shall provide the information required under this subsection with respect to the development and provision of custom textbooks.

"(d) PROVISION OF ISBN COLLEGE TEXTBOOK INFORMATION IN COURSE SCHEDULES.—To the maximum extent practicable, each institution of higher education receiving Federal financial assistance shall—

"(1) disclose, on the institution's Internet course schedule and in a manner of the institution's choosing, the International Standard Book Number and retail price information of required and recommended college textbooks and supplemental materials for each course listed in the institution's course schedule used for preregistration and registration purposes, except that—

"(A) if the International Standard Book Number is not available for such college textbook or supplemental material, then the institution shall include in the Internet course schedule the author, title, publisher, and copyright date for such college textbook or supplemental material; and

"(B) if the institution determines that the disclosure of the information described in this subsection is not practicable for a college textbook or supplemental material, then the institution shall so indicate by placing the designation 'To Be Determined' in lieu of the information required under this subsection; and

"(2) if applicable, include on the institution's written course schedule a notice that textbook information is available on the institution's Internet course schedule, and the Internet address for such schedule.

"(e) AVAILABILITY OF INFORMATION FOR COLLEGE BOOKSTORES.—An institution of higher education receiving Federal financial assistance shall make available to a college bookstore that is operated by, or in a contractual relationship or otherwise affiliated with, the institution, as soon as is practicable upon the request of such college bookstore, the most accurate information available regarding—

"(1) the institution's course schedule for the subsequent academic period; and

"(2) for each course or class offered by the institution for the subsequent academic period—

"(A) the information required by subsection (d)(1) for each college textbook or supplemental material required or recommended for such course or class;

"(B) the number of students enrolled in such course or class; and

"(C) the maximum student enrollment for such course or class.

"(f) ADDITIONAL INFORMATION.—An institution disclosing the information required by subsection (d)(1) is encouraged to disseminate to students information regarding—

"(1) available institutional programs for renting textbooks or for purchasing used textbooks;

"(2) available institutional guaranteed textbook buy-back programs;

"(3) available institutional alternative content delivery programs; or

"(4) other available institutional cost-saving strategies.

"(g) GAO REPORT.—Not later than July 1, 2013, the Comptroller General of the United States shall report to the authorizing committees on the implementation of this section by institutions of higher education, college bookstores, and publishers. The report shall particularly examine—

"(1) the availability of college textbook information on course schedules;

"(2) the provision of pricing information to faculty of institutions of higher education by publishers;

"(3) the use of bundled and unbundled material in the college textbook marketplace, including the adoption of unbundled materials by faculty and the use of integrated textbooks by publishers; and

"(4) the implementation of this section by institutions of higher education, including the costs and benefits to such institutions and to students.

"(h) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to supercede the institutional autonomy or academic freedom of instructors involved in the selection of college textbooks, supplemental materials, and other classroom materials.

"(i) NO REGULATORY AUTHORITY.—The Secretary shall not promulgate regulations with respect to this section.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 2010.

SEC. 113. DATABASE OF STUDENT INFORMATION PROHIBITED.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 133 (as added by section 112 of this Act) the following:

"SEC. 134. DATABASE OF STUDENT INFORMATION PROHIBITED.

"(a) PROHIBITION.—Except as described in subsection (b), nothing in this Act shall be construed to authorize the development, implementation, or maintenance of a Federal database of personally identifiable information on individuals receiving assistance under this Act, attending institutions receiving assistance under this Act, or otherwise involved in any studies or other collections of data under this Act, including a student unit record system, an education bar code system, or any other system that tracks individual students over time.

"(b) EXCEPTION.—The provisions of subsection (a) shall not apply to a system (or a successor system) that—

"(1) is necessary for the operation of programs authorized by title II, IV, or VII; and

"(2) was in use by the Secretary, directly or through a contractor, as of the day before the date of enactment of the Higher Education Opportunity Act.

"(c) STATE DATABASES.—Nothing in this Act shall prohibit a State or a consortium of States from developing, implementing, or maintaining State-developed databases that track individuals over time, including student unit record systems that contain information related to enrollment, attendance, graduation and retention rates, student financial assistance, and graduate employment outcomes.".

SEC. 114. IN-STATE TUITION RATES FOR ARMED FORCES MEMBERS, SPOUSES, AND DEPENDENT CHILDREN.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 134 (as added by section 113 of this Act) the following:

"SEC. 135. IN-STATE TUITION RATES FOR MEMBERS OF THE ARMED FORCES ON ACTIVE DUTY, SPOUSES, AND DEPENDENT CHILDREN.

"(a) REQUIREMENT.—In the case of a member of the armed forces who is on active duty for a period of more than 30 days and whose domicile or permanent duty station is in a State that receives assistance under this Act, such State shall not charge such member (or the spouse or dependent child of such member) tuition for attendance at a public institution of higher education in the State at a rate that is greater than the rate charged for residents of the State.

"(b) CONTINUATION.—If a member of the armed forces (or the spouse or dependent child of a member) pays tuition at a public institution of higher education in a State at a rate determined by subsection (a), the provisions of subsection (a) shall continue to apply to such member, spouse, or dependent while continuously enrolled at that institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside the State.

"(c) EFFECTIVE DATE.—This section shall take effect at each public institution of higher education in a State that receives assistance under this Act for the first period of enrollment at such institution that begins after July 1, 2009.

"(d) DEFINITIONS.—In this section, the terms 'armed forces' and 'active duty for a period of more than 30 days' have the meanings given those terms in section 101 of title 10, United States Code.".

SEC. 115. STATE HIGHER EDUCATION INFORMATION SYSTEM PILOT PROGRAM.

Part C of title I of the Higher Education Act of 1965 (20 U.S.C. 1015) is further amended by adding after section 135 (as added by section 114 of this Act) the following:

"SEC. 136. STATE HIGHER EDUCATION INFORMATION SYSTEM PILOT PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to carry out a pilot program to assist not more than five States to develop State-level postsecondary student data systems to—

"(1) improve the capacity of States and institutions of higher education to generate more comprehensive and comparable data, in order to develop better-informed educational policy at the State level and to evaluate the effectiveness of institutional performance while protecting the confidentiality of students' personally identifiable information; and

"(2) identify how to best minimize the data-reporting burden placed on institutions of higher education, particularly smaller institutions, and to maximize and improve the information institutions receive from the data systems, in order to assist institutions in improving educational practice and postsecondary outcomes.

"(b) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means—

"(1) a State higher education system; or

"(2) a consortium of State higher education systems, or a consortium of individual institutions of higher education, that is broadly representative of institutions in different sectors and geographic locations.

"(c) COMPETITIVE GRANTS.—

"(1) GRANTS AUTHORIZED.—The Secretary shall award grants, on a competitive basis, to not more than five eligible entities to enable the eligible entities to—

"(A) design, test, and implement systems of postsecondary student data that provide the maximum benefits to States, institutions of higher education, and State policymakers; and

"(B) examine the costs and burdens involved in implementing a State-level postsecondary student data system.

"(2) DURATION.—A grant awarded under this section shall be for a period of not more than three years.

"(d) APPLICATION REQUIREMENTS.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including a description of—

"(1) how the eligible entity will ensure that student privacy is protected and that individually identifiable information about students, the students' achievements, and the students' families remains confidential in accordance with section 444 of the General Education Provisions Act (Family Educational Rights and Privacy Act of 1974) (20 U.S.C. 1232g); and

"(2) how the activities funded by the grant will be supported after the three-year grant period.

"(e) USE OF FUNDS.—A grant awarded under this section shall be used to—

"(1) design, develop, and implement the components of a comprehensive postsecondary student data system with the capacity to transmit student information within a State;

"(2) improve the capacity of institutions of higher education to analyze and use student data;

"(3) select and define common data elements, data quality, and other elements that will enable the data system to—

"(A) serve the needs of institutions of higher education for institutional research and improvement;

"(B) provide students and the students' families with useful information for decision-making about postsecondary education; and

"(C) provide State policymakers with improved information to monitor and guide efforts to improve student outcomes and success in higher education;

"(4) estimate costs and burdens at the institutional level for the reporting system for different types of institutions; and

"(5) test the feasibility of protocols and standards for maintaining data privacy and data access.

"(f) EVALUATION; REPORTS.—Not later than six months after the end of the projects funded by grants awarded under this section, the Secretary shall—

"(1) conduct a comprehensive evaluation of the pilot program authorized by this section; and

"(2) report the Secretary's findings, as well as recommendations regarding the implementation of State-level postsecondary student data systems, to the authorizing committees.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 116. STATE COMMITMENT TO AFFORDABLE COLLEGE EDUCATION.

Part C of title I (20 U.S.C. 1015) is further amended by adding after section 136 (as added by section 115 of this Act) the following new section:

"SEC. 137. STATE COMMITMENT TO AFFORDABLE COLLEGE EDUCATION.

"(a) MAINTENANCE OF EFFORT REQUIRED.—A State shall provide—

"(1) for public institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is equal to or greater than the average amount provided for non-capital and non-direct research and development expenses or costs by such State to such institutions of higher education during the five most recent preceding academic years for which satisfactory data are available; and

"(2) for private institutions of higher education in such State for any academic year beginning on or after July 1, 2008, an amount which is equal to or greater than the average amount provided for student financial aid for paying costs associated with postsecondary education by such State to such institutions during the five most recent preceding academic years for which satisfactory data are available.

"(b) ADJUSTMENTS FOR BIENNIAL APPROPRIATIONS.—The Secretary shall take into consideration any adjustments to the calculations under subsection (a) that may be required to accurately reflect funding levels for postsecondary education in States with biennial appropriation cycles.

"(c) WAIVER.—The Secretary shall waive the requirements of subsection (a), if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforseen decline in the financial resources of a State or State educational agency, as appropriate.

"(d) VIOLATION OF MAINTENANCE OF EFFORT.—Notwithstanding any other provision of law, the Secretary shall withhold from any State that violates subsection (a) and does not receive a waiver pursuant to subsection (c) any amount that would otherwise be available to the State under section 781 until such State has made significant efforts to correct such violation.".

SEC. 117. PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

Section 141 (20 U.S.C. 1018) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "operational" and inserting "administrative and oversight"; and

(B) in paragraph (2)(D), by striking "of the operational functions" and inserting "and administration";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "the information systems administered by the PBO, and other functions performed by the PBO" and inserting "the Federal student financial assistance programs authorized under title IV"; and

(ii) by striking subparagraph (C) and inserting the following:

"(C) assist the Chief Operating Officer in identifying goals for—

"(i) the administration of the systems used to administer the Federal student financial assistance programs authorized under title IV; and

"(ii) the updating of such systems to current technology.";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A)—

(I) by striking "administration of the information and financial systems that support" and inserting "the administration of Federal"; and

(II) by striking "this title" and inserting "title IV";

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking "of the delivery system for Federal student assistance" and inserting "for the Federal student financial assistance programs authorized under title IV";

(II) by striking clauses (i) and (ii) and inserting the following:

"(i) the collection, processing, and transmission of data to students, institutions, lenders, State agencies, and other authorized parties;

"(ii) the design and technical specifications for software development and procurement for systems supporting the Federal student financial assistance programs authorized under title IV;";

(III) in clause (iii), by striking "delivery" and inserting "administration";

(IV) in clause (iv)—

(aa) by inserting "the Federal" after "supporting";

(bb) by striking "under this title" and inserting "authorized under title IV"; and

(cc) by striking "and" after the semicolon;

(V) in clause (v), by striking "systems that support those programs." and inserting "the administration of the Federal student financial assistance programs authorized under title IV; and"; and

(VI) by adding at the end the following:

"(vi) ensuring the integrity of the Federal student financial assistance programs authorized under title IV."; and

(iii) in subparagraph (B), by striking "operations and services" and inserting "activities and functions"; and

(3) in subsection (c)—

(A) in the subsection heading, by striking "PERFORMANCE PLAN AND REPORT" and inserting "PERFORMANCE PLAN, REPORT, AND BRIEFING";

(B) in paragraph (1)(C)—

(i) by striking "this title" each place the term appears and inserting "under title IV";

(ii) in clause (iii), by striking "information and delivery"; and

(iii) in clause (iv)—

(I) by striking "Developing an" and inserting "Developing"; and

(II) by striking "delivery and information system" and inserting "systems";

(C) in paragraph (2)—

(i) in subparagraph (A), by inserting "the" after "PBO and"; and

(ii) in subparagraph (B), by striking "Officer" and inserting "Officers";

(D) in paragraph (3), by inserting "students," after "consult with"; and

(E) by adding at the end the following:

"(4) BRIEFING ON ENFORCEMENT OF STUDENT LOAN PROVISIONS.—The Secretary shall, upon request, provide a briefing to the members of the authorizing committees on the steps the Department has taken to ensure—

"(A) the integrity of the student loan programs; and

"(B) that lenders and guaranty agencies are adhering to the requirements of title IV.";

(4) in subsection (d)—

(A) in paragraph (1), by striking the second sentence; and

(B) in paragraph (5)—

(i) in subparagraph (B), by striking "paragraph (2)" and inserting "paragraph (4)"; and

(ii) in subparagraph (C), by striking "this";

(5) in subsection (f)—

(A) in paragraph (2), by striking "to borrowers" and inserting "to students, borrowers,"; and

(B) in paragraph (3)(A), by striking "(1)(A)" and inserting "(1)";

(6) in subsection (g)(3), by striking "not more than 25";

(7) in subsection (h), by striking "organizational effectiveness" and inserting "effectiveness";

(8) by striking subsection (i);

(9) by redesignating subsection (j) as subsection (i); and

(10) in subsection (i) (as redesignated by paragraph (9)), by striking ", including transition costs".

SEC. 118. PROCUREMENT FLEXIBILITY.

Section 142 (20 U.S.C. 1018a) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "for information systems supporting the programs authorized under title IV"; and

(ii) by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) through the Chief Operating Officer—

"(A) to the maximum extent practicable, utilize procurement systems that streamline operations, improve internal controls, and enhance management; and

"(B) assess the efficiency of such systems and assess such systems' ability to meet PBO requirements.";

(2) by striking subsection (c)(2) and inserting the following:

"(2) FEE FOR SERVICE ARRANGEMENTS.—The Chief Operating Officer shall, when appropriate and consistent with the purposes of the PBO, acquire services related to the functions set forth in section 141(b)(2) from any entity that has the capability and capacity to meet the requirements set by the PBO. The Chief Operating Officer is authorized to pay fees that are equivalent to those paid by other entities to an organization that provides services that meet the requirements of the PBO, as determined by the Chief Operating Officer.";

(3) in subsection (d)(2)(B), by striking "on Federal Government contracts";

(4) in subsection (g)—

(A) in paragraph (4)(A)—

(i) in the subparagraph heading, by striking "SOLE SOURCE.—" and inserting "SINGLE-SOURCE BASIS.—"; and

(ii) by striking "sole-source" and inserting "single-source"; and

(B) in paragraph (7), by striking "sole-source" and inserting "single-source";

(5) in subsection (h)(2)(A), by striking "sole-source" and inserting "single-source"; and

(6) in subsection (l), by striking paragraph (3) and inserting the following:

"(3) SINGLE-SOURCE BASIS.—The term 'single-source basis', with respect to an award of a contract, means that the contract is awarded to a source after soliciting an offer or offers from, and negotiating with, only such source (although such source is not the only source in the marketplace capable of meeting the need) because such source is the most advantageous source for purposes of the award.".

SEC. 119. CERTIFICATION REGARDING THE USE OF CERTAIN FEDERAL FUNDS.

(a) PROHIBITION.—No Federal funds received under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) by an institution of higher education or other postsecondary educational institution may be used to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action described in subsection (b).

(b) APPLICABILITY.—The prohibition in subsection (a) applies with respect to the following Federal actions:

(1) The awarding of any Federal contract.

(2) The making of any Federal grant.

(3) The making of any Federal loan.

(4) The entering into of any Federal cooperative agreement.

(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(c) LOBBYING AND EARMARKS.—No Federal student aid funding under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) may be used to hire a registered lobbyist or pay any person or entity for securing an earmark.

(d) CERTIFICATION.—Each institution of higher education or other postsecondary educational institution receiving Federal funding under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), as a condition for receiving such funding, shall annually certify to the Secretary of Education that the requirements of subsections (a) through (c) have been met.

(e) ACTIONS TO IMPLEMENT AND ENFORCE.—The Secretary of Education shall take such actions as are necessary to ensure that the provisions of this section are implemented and enforced.

SEC. 120. INSTITUTION AND LENDER REPORTING AND DISCLOSURE REQUIREMENTS.

Title I (as amended by this title) (20 U.S.C. 1001 et seq.) is further amended by adding at the end the following:

"PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATION LOANS

"SEC. 151. DEFINITIONS.

"In this part:

"(1) AGENT.—The term 'agent' means an officer or employee of a covered institution or an institution-affiliated organization.

"(2) COVERED INSTITUTION.—The term 'covered institution' means any institution of higher education, as such term is

defined in section 102, that receives any Federal funding or assistance.

"(3) EDUCATION LOAN.—The term 'education loan' (except when used as part of the term 'private education loan') means—

"(A) any loan made, insured, or guaranteed under part B of title IV;

"(B) any loan made under part D of title IV; or

"(C) a private education loan.

"(4) ELIGIBLE LENDER.—The term 'eligible lender' has the meaning given such term in section 435(d).

"(5) INSTITUTION-AFFILIATED ORGANIZATION.—The term 'institution-affiliated organization'—

"(A) means any organization that—

"(i) is directly or indirectly related to a covered institution; and

"(ii) is engaged in the practice of recommending, promoting, or endorsing education loans for students attending such covered institution or the families of such students;

"(B) may include an alumni organization, athletic organization, foundation, or social, academic, or professional organization, of a covered institution; and

"(C) notwithstanding subparagraphs (A) and (B), does not include any lender with respect to any education loan secured, made, or extended by such lender.

"(6) LENDER.—The term 'lender' (except when used as part of the terms 'eligible lender' and 'private educational lender')—

"(A) means—

"(i) in the case of a loan made, insured, or guaranteed under part B of title IV, an eligible lender;

"(ii) in the case of any loan issued or provided to a student under part D of title IV, the Secretary; and

"(iii) in the case of a private education loan, a private educational lender as defined in section 140 of the Truth in Lending Act; and

"(B) includes any other person engaged in the business of securing, making, or extending education loans on behalf of the lender.

"(7) OFFICER.—The term 'officer' includes a director or trustee of a covered institution or institution-affiliated organization, if such individual is treated as an employee of such covered institution or institution-affiliated organization, respectively.

"(8) PREFERRED LENDER ARRANGEMENT.—The term 'preferred lender arrangement'—

"(A) means an arrangement or agreement between a lender and a covered institution or an institution-affiliated organization of such covered institution—

"(i) under which a lender provides or otherwise issues education loans to the students attending such covered institution or the families of such students; and

"(ii) that relates to such covered institution or such institution-affiliated organization recommending, promoting, or endorsing the education loan products of the lender; and

"(B) does not include—

"(i) arrangements or agreements with respect to loans under part D of title IV; or

"(ii) arrangements or agreements with respect to loans that originate through the auction pilot program under section 499(b).

"(9) PRIVATE EDUCATION LOAN.—The term 'private education loan' has the meaning given the term in section 140 of the Truth in Lending Act.

"SEC. 152. RESPONSIBILITIES OF COVERED INSTITUTIONS, INSTITUTION-AFFILIATED ORGANIZATIONS, AND LENDERS.

"(a) RESPONSIBILITIES OF COVERED INSTITUTIONS AND INSTITUTION-AFFILIATED ORGANIZATIONS.—

"(1) DISCLOSURES BY COVERED INSTITUTIONS AND INSTITUTION-AFFILIATED ORGANIZATIONS.—

"(A) PREFERRED LENDER ARRANGEMENT DISCLOSURES.—In addition to the disclosures required by subsections (a)(27) and (h) of section 487 (if applicable), a covered institution, or an institution-affiliated organization of such covered institution, that participates in a preferred lender arrangement shall disclose—

"(i) on such covered institution's or institution-affiliated organization's website and in all informational materials described in subparagraph (C) that describe or discuss education loans—

"(I) the maximum amount of Federal grant and loan aid under title IV available to students, in an easy to understand format;

"(II) the information required to be disclosed pursuant to section 153(a)(2)(A)(i), for each type of loan described in section 151(3)(A) that is offered pursuant to a preferred lender arrangement of the institution or organization to students of the institution or the families of such students; and

"(III) a statement that such institution is required to process the documents required to obtain a loan under part B of title IV from any eligible lender the student selects; and

"(ii) on such covered institution's or institution-affiliated organization's website and in all informational materials described in subparagraph (C) that describe or discuss private education loans—

"(I) in the case of a covered institution, the information that the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(11) of the Truth in Lending Act (15 U.S.C. 1638(e)(11)), for each type of private education loan offered pursuant to a preferred lender arrangement of the institution to students of the institution or the families of such students; and

"(II) in the case of an institution-affiliated organization of a covered institution, the information the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(1) of the Truth in Lending Act (15 U.S.C. 1638(e)(1)), for each type of private education loan

offered pursuant to a preferred lender arrangement of the organization to students of such institution or the families of such students.

"(B) PRIVATE EDUCATION LOAN DISCLOSURES.—A covered institution, or an institution-affiliated organization of such covered institution, that provides information regarding a private education loan from a lender to a prospective borrower shall—

"(i) provide the prospective borrower with the information the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(1) of the Truth in Lending Act (15 U.S.C. 1638(e)(1)) for such loan;

"(ii) inform the prospective borrower that—

"(I) the prospective borrower may qualify for loans or other assistance under title IV; and

"(II) the terms and conditions of loans made, insured, or guaranteed under title IV may be more favorable than the provisions of private education loans; and

"(iii) ensure that information regarding private education loans is presented in such a manner as to be distinct from information regarding loans that are made, insured, or guaranteed under title IV.

"(C) INFORMATIONAL MATERIALS.—The informational materials described in this subparagraph are publications, mailings, or electronic messages or materials that—

"(i) are distributed to prospective or current students of a covered institution and families of such students; and

"(ii) describe or discuss the financial aid opportunities available to students at an institution of higher education.

"(2) USE OF INSTITUTION NAME.—A covered institution, or an institution-affiliated organization of such covered institution, that enters into a preferred lender arrangement with a lender regarding private education loans shall not agree to the lender's use of the name, emblem, mascot, or logo of such institution or organization, or other words, pictures, or symbols readily identified with such institution or organization, in the marketing of private education loans to students attending such institution in any way that implies that the loan is offered or made by such institution or organization instead of the lender.

"(3) USE OF LENDER NAME.—A covered institution, or an institution-affiliated organization of such covered institution, that enters into a preferred lender arrangement with a lender regarding private education loans shall ensure that the name of the lender is displayed in all information and documentation related to such loans.

"(b) LENDER RESPONSIBILITIES.—

"(1) DISCLOSURES BY LENDERS.—

"(A) DISCLOSURES TO BORROWERS.—

"(i) FEDERAL EDUCATION LOANS.—For each education loan that is made, insured, or guaranteed under part B or D of title IV (other than a loan made under section 428C or a Federal Direct Consolidation Loan),

at or prior to the time the lender disburses such loan, the lender shall provide the prospective borrower or borrower, in writing (including through electronic means), with the disclosures described in subsections (a) and (c) of section 433.

"(ii) PRIVATE EDUCATION LOANS.—For each of a lender's private education loans, the lender shall comply with the disclosure requirements under section 128(e) of the Truth in Lending Act (15 U.S.C. 1638(e)).

"(B) DISCLOSURES TO THE SECRETARY.—

"(i) IN GENERAL.—Each lender of a loan made, insured, or guaranteed under part B of title IV shall, on an annual basis, report to the Secretary—

"(I) any reasonable expenses paid or provided under section 435(d)(5)(D) or paragraph (3)(B) or (7) of section 487(e) to any agent of a covered institution who—

"(aa) is employed in the financial aid office of a covered institution; or

"(bb) otherwise has responsibilities with respect to education loans or other financial aid of the institution; and

"(II) any similar expenses paid or provided to any agent of an institution-affiliated organization who is involved in the practice of recommending, promoting, or endorsing education loans.

"(ii) CONTENTS OF REPORTS.—Each report described in clause (i) shall include—

"(I) the amount for each specific instance in which the lender provided such expenses;

"(II) the name of any agent described in clause (i) to whom the expenses were paid or provided;

"(III) the dates of the activity for which the expenses were paid or provided; and

"(IV) a brief description of the activity for which the expenses were paid or provided.

"(iii) REPORT TO CONGRESS.—The Secretary shall summarize the information received from the lenders under this subparagraph in a report and transmit such report annually to the authorizing committees.

"(2) CERTIFICATION BY LENDERS.—Not later than 18 months after the date of enactment of the Higher Education Opportunity Act—

"(A) in addition to any other disclosure required under Federal law, each lender of a loan made, insured, or guaranteed under part B of title IV that participates in one or more preferred lender arrangements shall annually certify the lender's compliance with the requirements of this Act; and

"(B) if an audit of a lender is required pursuant to section 428(b)(1)(U)(iii), the lender's compliance with the requirements under this section shall be reported on and attested to annually by the auditor of such lender.

"SEC. 153. LOAN INFORMATION TO BE DISCLOSED AND MODEL DISCLOSURE FORM FOR COVERED INSTITUTIONS, INSTITUTION-AFFILIATED ORGANIZATIONS, AND LENDERS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

"(a) DUTIES OF THE SECRETARY.—

"(1) DETERMINATION OF MINIMUM DISCLOSURES.—

"(A) IN GENERAL.—Not later than 18 months after the date of enactment of the Higher Education Opportunity Act, the Secretary, in coordination with the Board of Governors of the Federal Reserve System, shall determine the minimum information that lenders, covered institutions, and institution-affiliated organizations of such covered institutions participating in preferred lender arrangements shall make available regarding education loans described in section 151(3)(A) that are offered to students and the families of such students.

"(B) CONSULTATION AND CONTENT OF MINIMUM DISCLOSURES.—In carrying out subparagraph (A), the Secretary shall—

"(i) consult with students, the families of such students, representatives of covered institutions (including financial aid administrators, admission officers, and business officers), representatives of institution-affiliated organizations, secondary school guidance counselors, lenders, loan servicers, and guaranty agencies;

"(ii) include, in the minimum information under subparagraph (A) that is required to be made available, the information that the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(1) of the Truth in Lending Act (15 U.S.C. 1638(e)(1)), modified as necessary to apply to such loans; and

"(iii) consider the merits of requiring each covered institution, and each institution-affiliated organization of such covered institution, with a preferred lender arrangement to provide to prospective borrowers and the families of such borrowers the following information for each type of education loan offered pursuant to such preferred lender arrangement:

"(I) The interest rate and terms and conditions of the loan for the next award year, including loan forgiveness and deferment.

"(II) Information on any charges, such as origination and Federal default fees, that are payable on the loan, and whether those charges will be—

"(aa) collected by the lender at or prior to the disbursal of the loan, including whether the charges will be deducted from the proceeds of the loan or paid separately by the borrower; or

"(bb) paid in whole or in part by the lender.

"(III) The annual and aggregate maximum amounts that may be borrowed.

"(IV) The average amount borrowed from the lender by students who graduated from such

institution in the preceding year with certificates, undergraduate degrees, graduate degrees, and professional degrees, as applicable, and who obtained loans of such type from the lender for the preceding year.

"(V) The amount the borrower may pay in interest, based on a standard repayment plan and the average amount borrowed from the lender by students who graduated from such institution in the preceding year and who obtained loans of such type from the lender for the preceding year, for—

"(aa) borrowers who take out loans under section 428;

"(bb) borrowers who take out loans under section 428B or 428H, who pay the interest while in school; and

"(cc) borrowers who take out loans under section 428B or 428H, who do not pay the interest while in school.

"(VI) The consequences for the borrower of defaulting on a loan, including limitations on the discharge of an education loan in bankruptcy.

"(VII) Contact information for the lender.

"(VIII) Other information suggested by the persons and entities with whom the Secretary has consulted under clause (i).

"(2) REQUIRED DISCLOSURES.—After making the determinations under paragraph (1), the Secretary, in coordination with the Board of Governors of the Federal Reserve System and after consultation with the public, shall—

"(A)(i) provide that the information determined under paragraph (1) shall be disclosed by covered institutions, and institution-affiliated organizations of such covered institutions, with preferred lender arrangements to prospective borrowers and the families of such borrowers regarding the education loans described in section 151(3)(A) that are offered pursuant to such preferred lender arrangements; and

"(ii) make clear that such covered institutions and institution-affiliated organizations may provide the required information on a form designed by the institution or organization instead of the model disclosure form described in subparagraph (B);

"(B) develop a model disclosure form that may be used by covered institutions, institution-affiliated organizations, and preferred lenders that includes all of the information required under subparagraph (A)(i) in a format that—

"(i) is easily usable by students, families, institutions, institution-affiliated organizations, lenders, loan servicers, and guaranty agencies; and

"(ii) is similar in format to the form developed by the Board of Governors of the Federal Reserve System under paragraphs (1) and (5)(A) of section 128(e), in order to permit students and the families of students to easily compare private education loans and education loans described in section 151(3)(A); and

"(C) update such model disclosure form periodically, as necessary.

"(b) DUTIES OF LENDERS.—Each lender that has a preferred lender arrangement with a covered institution, or an institution-affiliated organization of such covered institution, with respect to education loans described in section 151(3)(A) shall annually, by a date determined by the Secretary, provide to such covered institution or such institution-affiliated organization, and to the Secretary, the information the Secretary requires pursuant to subsection (a)(2)(A)(i) for each type of education loan described in section 151(3)(A) that the lender plans to offer pursuant to such preferred lender arrangement to students attending such covered institution, or to the families of such students, for the next award year.

"(c) DUTIES OF COVERED INSTITUTIONS AND INSTITUTION-AFFILIATED ORGANIZATIONS.—

"(1) PROVIDING INFORMATION TO STUDENTS AND FAMILIES.—

"(A) IN GENERAL.—Each covered institution, and each institution-affiliated organization of such covered institution, that has a preferred lender arrangement shall provide the following information to students attending such institution, or the families of such students, as applicable:

"(i) The information the Secretary requires pursuant to subsection (a)(2)(A)(i), for each type of education loan described in section 151(3)(A) offered pursuant to a preferred lender arrangement to students of such institution or the families of such students.

"(ii)(I) In the case of a covered institution, the information that the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(11) of the Truth in Lending Act (15 U.S.C. 1638(e)(11)) to the covered institution, for each type of private education loan offered pursuant to such preferred lender arrangement to students of such institution or the families of such students.

"(II) In the case of an institution-affiliated organization, the information the Board of Governors of the Federal Reserve System requires to be disclosed under section 128(e)(1) of the Truth in Lending Act (15 U.S.C. 1638(e)(1)), for each type of private education loan offered pursuant to such preferred lender arrangement to students of the institution with which such organization is affiliated or the families of such students.

"(B) TIMELY PROVISION OF INFORMATION.—The information described in subparagraph (A) shall be provided in a manner that allows for the students or the families to take such information into account before selecting a lender or applying for an education loan.

"(2) ANNUAL REPORT.—Each covered institution, and each institution-affiliated organization of such covered institution, that has a preferred lender arrangement, shall—

"(A) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has a preferred lender arrangement with such covered institution or organization—

"(i) the information described in clauses (i) and (ii) of paragraph (1)(A); and

"(ii) a detailed explanation of why such covered institution or institution-affiliated organization entered into a preferred lender arrangement with the lender, including why the terms, conditions, and provisions of each type of education loan provided pursuant to the preferred lender arrangement are beneficial for students attending such institution, or the families of such students, as applicable; and

"(B) ensure that the report required under subparagraph (A) is made available to the public and provided to students attending or planning to attend such covered institution and the families of such students.

"(3) CODE OF CONDUCT.—

"(A) IN GENERAL.—Each covered institution, and each institution-affiliated organization of such covered institution, that has a preferred lender arrangement, shall comply with the code of conduct requirements of subparagraphs (A) through (C) of section 487(a)(25).

"(B) APPLICABLE CODE OF CONDUCT.—For purposes of subparagraph (A), an institution-affiliated organization of a covered institution shall—

"(i) comply with the code of conduct developed and published by such covered institution under subparagraphs (A) and (B) of section 487(a)(25);

"(ii) if such institution-affiliated organization has a website, publish such code of conduct prominently on the website; and

"(iii) administer and enforce such code of conduct by, at a minimum, requiring that all of such organization's agents with responsibilities with respect to education loans be annually informed of the provisions of such code of conduct.

"SEC. 154. LOAN INFORMATION TO BE DISCLOSED AND MODEL DISCLOSURE FORM FOR INSTITUTIONS PARTICIPATING IN THE WILLIAM. D. FORD FEDERAL DIRECT LOAN PROGRAM.

"(a) PROVISION OF DISCLOSURES TO INSTITUTIONS BY THE SECRETARY.—Not later than 180 days after the development of the model disclosure form under section 153(a)(2)(B), the Secretary shall provide each institution of higher education participating in the William D. Ford Direct Loan Program under part D of title IV with a completed model disclosure form including the same information for Federal Direct Stafford Loans, Federal Direct Unsubsidized Stafford Loans, and Federal Direct PLUS loans made to, or on behalf of, students attending each such institution as is required on such form for loans described in section 151(3)(A).

"(b) DUTIES OF INSTITUTIONS.—

"(1) IN GENERAL.—Each institution of higher education participating in the William D. Ford Direct Loan Program under part D of title IV shall—

"(A) make the information the Secretary provides to the institution under subsection (a) available to students attending or planning to attend the institution, or the families of such students, as applicable; and

"(B) if the institution provides information regarding a private education loan to a prospective borrower, concurrently provide such borrower with the information the Secretary provides to the institution under subsection (a).

"(2) CHOICE OF FORMS.—In providing the information required under paragraph (1), an institution of higher education may use a comparable form designed by the institution instead of the model disclosure form developed under section 153(a)(2)(B).".

TITLE II—TEACHER QUALITY ENHANCEMENT

SEC. 201. TEACHER QUALITY ENHANCEMENT.

Title II (20 U.S.C. 1021 et seq.) is amended—

(1) by inserting before part A the following:

"SEC. 200. DEFINITIONS.

"In this title:

"(1) ARTS AND SCIENCES.—The term 'arts and sciences' means—

"(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers one or more academic majors in disciplines or content areas corresponding to the academic subject matter areas in which teachers provide instruction; and

"(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.

"(2) CHILDREN FROM LOW-INCOME FAMILIES.—The term 'children from low-income families' means children described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965.

"(3) CORE ACADEMIC SUBJECTS.—The term 'core academic subjects' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(4) EARLY CHILDHOOD EDUCATOR.—The term 'early childhood educator' means an individual with primary responsibility for the education of children in an early childhood education program.

"(5) EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(6) ELIGIBLE PARTNERSHIP.—Except as otherwise provided in section 251, the term 'eligible partnership' means an entity that—

"(A) shall include—

"(i) a high-need local educational agency;

"(ii)(I) a high-need school or a consortium of high-need schools served by the high-need local educational agency; or

"(II) as applicable, a high-need early childhood education program;

"(iii) a partner institution;

"(iv) a school, department, or program of education within such partner institution, which may include

an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; and

"(v) a school or department of arts and sciences within such partner institution; and

"(B) may include any of the following:

"(i) The Governor of the State.

"(ii) The State educational agency.

"(iii) The State board of education.

"(iv) The State agency for higher education.

"(v) A business.

"(vi) A public or private nonprofit educational organization.

"(vii) An educational service agency.

"(viii) A teacher organization.

"(ix) A high-performing local educational agency, or a consortium of such local educational agencies, that can serve as a resource to the partnership.

"(x) A charter school (as defined in section 5210 of the Elementary and Secondary Education Act of 1965).

"(xi) A school or department within the partner institution that focuses on psychology and human development.

"(xii) A school or department within the partner institution with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.

"(xiii) An entity operating a program that provides alternative routes to State certification of teachers.

"(7) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given the term in section 1208 of the Elementary and Secondary Education Act of 1965.

"(8) EXEMPLARY TEACHER.—The term 'exemplary teacher' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(9) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'high-need early childhood education program' means an early childhood education program serving children from low-income families that is located within the geographic area served by a high-need local educational agency.

"(10) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency—

"(A)(i) for which not less than 20 percent of the children served by the agency are children from low-income families;

"(ii) that serves not fewer than 10,000 children from low-income families;

"(iii) that meets the eligibility requirements for funding under the Small, Rural School Achievement Program under section 6211(b) of the Elementary and Secondary Education Act of 1965; or

"(iv) that meets the eligibility requirements for funding under the Rural and Low-Income School Program under section 6221(b) of the Elementary and Secondary Education Act of 1965; and

"(B)(i) for which there is a high percentage of teachers not teaching in the academic subject areas or grade levels in which the teachers were trained to teach; or

"(ii) for which there is a high teacher turnover rate or a high percentage of teachers with emergency, provisional, or temporary certification or licensure.

"(11) HIGH-NEED SCHOOL.—

"(A) IN GENERAL.—The term 'high-need school' means a school that, based on the most recent data available, meets one or both of the following:

"(i) The school is in the highest quartile of schools in a ranking of all schools served by a local educational agency, ranked in descending order by percentage of students from low-income families enrolled in such schools, as determined by the local educational agency based on one of the following measures of poverty:

"(I) The percentage of students aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary.

"(II) The percentage of students eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act.

"(III) The percentage of students in families receiving assistance under the State program funded under part A of title IV of the Social Security Act.

"(IV) The percentage of students eligible to receive medical assistance under the Medicaid program.

"(V) A composite of two or more of the measures described in subclauses (I) through (IV).

"(ii) In the case of—

"(I) an elementary school, the school serves students not less than 60 percent of whom are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act; or

"(II) any other school that is not an elementary school, the other school serves students not less than 45 percent of whom are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act.

"(B) SPECIAL RULE.—

"(i) DESIGNATION BY THE SECRETARY.—The Secretary may, upon approval of an application submitted by an eligible partnership seeking a grant under this title, designate a school that does not qualify as a high-need school under subparagraph (A) as a high-need school for the purpose of this title. The Secretary shall base the approval of an application for designation of a school under this clause on a consideration of the information required under clause (ii), and may

also take into account other information submitted by the eligible partnership.

"(ii) APPLICATION REQUIREMENTS.—An application for designation of a school under clause (i) shall include—

"(I) the number and percentage of students attending such school who are—

"(aa) aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary;

"(bb) eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

"(cc) in families receiving assistance under the State program funded under part A of title IV of the Social Security Act; or

"(dd) eligible to receive medical assistance under the Medicaid program;

"(II) information about the student academic achievement of students at such school; and

"(III) for a secondary school, the graduation rate for such school.

"(12) HIGHLY COMPETENT.—The term 'highly competent', when used with respect to an early childhood educator, means an educator—

"(A) with specialized education and training in development and education of young children from birth until entry into kindergarten;

"(B) with—

"(i) a baccalaureate degree in an academic major in the arts and sciences; or

"(ii) an associate's degree in a related educational area; and

"(C) who has demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.

"(13) HIGHLY QUALIFIED.—The term 'highly qualified' has the meaning given such term in section 9101 of the Elementary and Secondary Education Act of 1965 and, with respect to special education teachers, in section 602 of the Individuals with Disabilities Education Act.

"(14) INDUCTION PROGRAM.—The term 'induction program' means a formalized program for new teachers during not less than the teachers' first two years of teaching that is designed to provide support for, and improve the professional performance and advance the retention in the teaching field of, beginning teachers. Such program shall promote effective teaching skills and shall include the following components:

"(A) High-quality teacher mentoring.

"(B) Periodic, structured time for collaboration with teachers in the same department or field, including mentor teachers, as well as time for information-sharing among teachers, principals, administrators, other appropriate instructional staff, and participating faculty in the partner institution.

"(C) The application of empirically-based practice and scientifically valid research on instructional practices.

"(D) Opportunities for new teachers to draw directly on the expertise of teacher mentors, faculty, and researchers to support the integration of empirically-based practice and scientifically valid research with practice.

"(E) The development of skills in instructional and behavioral interventions derived from empirically-based practice and, where applicable, scientifically valid research.

"(F) Faculty who—

"(i) model the integration of research and practice in the classroom; and

"(ii) assist new teachers with the effective use and integration of technology in the classroom.

"(G) Interdisciplinary collaboration among exemplary teachers, faculty, researchers, and other staff who prepare new teachers with respect to the learning process and the assessment of learning.

"(H) Assistance with the understanding of data, particularly student achievement data, and the applicability of such data in classroom instruction.

"(I) Regular and structured observation and evaluation of new teachers by multiple evaluators, using valid and reliable measures of teaching skills.

"(15) LIMITED ENGLISH PROFICIENT.—The term 'limited English proficient' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(16) PARENT.—The term 'parent' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(17) PARTNER INSTITUTION.—The term 'partner institution' means an institution of higher education, which may include a two-year institution of higher education offering a dual program with a four-year institution of higher education, participating in an eligible partnership that has a teacher preparation program—

"(A) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

"(i) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

"(ii) being ranked among the highest-performing teacher preparation programs in the State as determined by the State—

"(I) using criteria consistent with the requirements for the State report card under section 205(b) before the first publication of such report card; and

"(II) using the State report card on teacher preparation required under section 205(b), after the first publication of such report card and for every year thereafter; and

"(B) that requires—

"(i) each student in the program to meet high academic standards or demonstrate a record of success, as determined by the institution (including prior to entering and being accepted into a program), and participate in intensive clinical experience;

"(ii) each student in the program preparing to become a teacher to become highly qualified; and

"(iii) each student in the program preparing to become an early childhood educator to meet degree requirements, as established by the State, and become highly competent.

"(18) PRINCIPLES OF SCIENTIFIC RESEARCH.—The term 'principles of scientific research' means principles of research that—

"(A) apply rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs;

"(B) present findings and make claims that are appropriate to, and supported by, the methods that have been employed; and

"(C) include, appropriate to the research being conducted—

"(i) use of systematic, empirical methods that draw on observation or experiment;

"(ii) use of data analyses that are adequate to support the general findings;

"(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;

"(iv) strong claims of causal relationships, only with research designs that eliminate plausible competing explanations for observed results, such as, but not limited to, random-assignment experiments;

"(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;

"(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and

"(vii) consistency of findings across multiple studies or sites to support the generality of results and conclusions.

"(19) PROFESSIONAL DEVELOPMENT.—The term 'professional development' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

"(20) SCIENTIFICALLY VALID RESEARCH.—The term 'scientifically valid research' includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with principles of scientific research.

"(21) TEACHER MENTORING.—The term 'teacher mentoring' means the mentoring of new or prospective teachers through a program that—

"(A) includes clear criteria for the selection of teacher mentors who will provide role model relationships for

mentees, which criteria shall be developed by the eligible partnership and based on measures of teacher effectiveness;

"(B) provides high-quality training for such mentors, including instructional strategies for literacy instruction and classroom management (including approaches that improve the schoolwide climate for learning, which may include positive behavioral interventions and supports);

"(C) provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching methods in classroom settings during the day in a high-need school in the high-need local educational agency in the eligible partnership;

"(D) provides paid release time for mentors, as applicable;

"(E) provides mentoring to each mentee by a colleague who teaches in the same field, grade, or subject as the mentee;

"(F) promotes empirically-based practice of, and scientifically valid research on, where applicable—

"(i) teaching and learning;

"(ii) assessment of student learning;

"(iii) the development of teaching skills through the use of instructional and behavioral interventions; and

"(iv) the improvement of the mentees' capacity to measurably advance student learning; and

"(G) includes—

"(i) common planning time or regularly scheduled collaboration for the mentor and mentee; and

"(ii) joint professional development opportunities.

"(22) TEACHING RESIDENCY PROGRAM.—The term 'teaching residency program' means a school-based teacher preparation program in which a prospective teacher—

"(A) for one academic year, teaches alongside a mentor teacher, who is the teacher of record;

"(B) receives concurrent instruction during the year described in subparagraph (A) from the partner institution, which courses may be taught by local educational agency personnel or residency program faculty, in the teaching of the content area in which the teacher will become certified or licensed;

"(C) acquires effective teaching skills; and

"(D) prior to completion of the program, earns a master's degree, attains full State teacher certification or licensure, and becomes highly qualified.

"(23) TEACHING SKILLS.—The term 'teaching skills' means skills that enable a teacher to—

"(A) increase student learning, achievement, and the ability to apply knowledge;

"(B) effectively convey and explain academic subject matter;

"(C) effectively teach higher-order analytical, evaluation, problem-solving, and communication skills;

"(D) employ strategies grounded in the disciplines of teaching and learning that—

"(i) are based on empirically-based practice and scientifically valid research, where applicable, related to teaching and learning;

"(ii) are specific to academic subject matter; and

"(iii) focus on the identification of students' specific learning needs, particularly students with disabilities, students who are limited English proficient, students who are gifted and talented, and students with low literacy levels, and the tailoring of academic instruction to such needs;

"(E) conduct an ongoing assessment of student learning, which may include the use of formative assessments, performance-based assessments, project-based assessments, or portfolio assessments, that measures higher-order thinking skills (including application, analysis, synthesis, and evaluation);

"(F) effectively manage a classroom, including the ability to implement positive behavioral interventions and support strategies;

"(G) communicate and work with parents, and involve parents in their children's education; and

"(H) use, in the case of an early childhood educator, age-appropriate and developmentally appropriate strategies and practices for children in early childhood education programs.";

(2) by striking part A and inserting the following:

"PART A—TEACHER QUALITY PARTNERSHIP GRANTS

"SEC. 201. PURPOSES.

"The purposes of this part are to—

"(1) improve student achievement;

"(2) improve the quality of prospective and new teachers by improving the preparation of prospective teachers and enhancing professional development activities for new teachers;

"(3) hold teacher preparation programs at institutions of higher education accountable for preparing highly qualified teachers; and

"(4) recruit highly qualified individuals, including minorities and individuals from other occupations, into the teaching force.

"SEC. 202. PARTNERSHIP GRANTS.

"(a) PROGRAM AUTHORIZED.—From amounts made available under section 209, the Secretary is authorized to award grants, on a competitive basis, to eligible partnerships, to enable the eligible partnerships to carry out the activities described in subsection (c).

"(b) APPLICATION.—Each eligible partnership desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall contain—

"(1) a needs assessment of the partners in the eligible partnership with respect to the preparation, ongoing training, professional development, and retention of general education

and special education teachers, principals, and, as applicable, early childhood educators;

"(2) a description of the extent to which the program to be carried out with grant funds, as described in subsection (c), will prepare prospective and new teachers with strong teaching skills;

"(3) a description of how such program will prepare prospective and new teachers to understand and use research and data to modify and improve classroom instruction;

"(4) a description of—

"(A) how the eligible partnership will coordinate strategies and activities assisted under the grant with other teacher preparation or professional development programs, including programs funded under the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act, and through the National Science Foundation; and

"(B) how the activities of the partnership will be consistent with State, local, and other education reform activities that promote teacher quality and student academic achievement;

"(5) an assessment that describes the resources available to the eligible partnership, including—

"(A) the integration of funds from other related sources;

"(B) the intended use of the grant funds; and

"(C) the commitment of the resources of the partnership to the activities assisted under this section, including financial support, faculty participation, and time commitments, and to the continuation of the activities when the grant ends;

"(6) a description of—

"(A) how the eligible partnership will meet the purposes of this part;

"(B) how the partnership will carry out the activities required under subsection (d) or (e), based on the needs identified in paragraph (1), with the goal of improving student academic achievement;

"(C) if the partnership chooses to use funds under this section for a project or activities under subsection (f) or (g), how the partnership will carry out such project or required activities based on the needs identified in paragraph (1), with the goal of improving student academic achievement;

"(D) the partnership's evaluation plan under section 204(a);

"(E) how the partnership will align the teacher preparation program under subsection (c) with the—

"(i) State early learning standards for early childhood education programs, as appropriate, and with the relevant domains of early childhood development; and

"(ii) student academic achievement standards and academic content standards under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965, established by the State in which the partnership is located;

"(F) how the partnership will prepare general education teachers to teach students with disabilities, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act;

"(G) how the partnership will prepare general education and special education teachers to teach students who are limited English proficient;

"(H) how faculty at the partner institution will work, during the term of the grant, with highly qualified teachers in the classrooms of high-need schools served by the high-need local educational agency in the partnership to—

"(i) provide high-quality professional development activities to strengthen the content knowledge and teaching skills of elementary school and secondary school teachers; and

"(ii) train other classroom teachers to implement literacy programs that incorporate the essential components of reading instruction;

"(I) how the partnership will design, implement, or enhance a year-long and rigorous teaching preservice clinical program component;

"(J) how the partnership will support in-service professional development strategies and activities; and

"(K) how the partnership will collect, analyze, and use data on the retention of all teachers and early childhood educators in schools and early childhood education programs located in the geographic area served by the partnership to evaluate the effectiveness of the partnership's teacher and educator support system; and

"(7) with respect to the induction program required as part of the activities carried out under this section—

"(A) a demonstration that the schools and departments within the institution of higher education that are part of the induction program will effectively prepare teachers, including providing content expertise and expertise in teaching, as appropriate;

"(B) a demonstration of the eligible partnership's capability and commitment to, and the accessibility to and involvement of faculty in, the use of empirically-based practice and scientifically valid research on teaching and learning;

"(C) a description of how the teacher preparation program will design and implement an induction program to support, through not less than the first two years of teaching, all new teachers who are prepared by the teacher preparation program in the partnership and who teach in the high-need local educational agency in the partnership, and, to the extent practicable, all new teachers who teach in such high-need local educational agency, in the further development of the new teachers' teaching skills, including the use of mentors who are trained and compensated by such program for the mentors' work with new teachers; and

"(D) a description of how faculty involved in the induction program will be able to substantially participate in

an early childhood education program or an elementary school or secondary school classroom setting, as applicable, including release time and receiving workload credit for such participation.

"(c) USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section—

"(1) shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers under subsection (d), a teaching residency program under subsection (e), or a combination of such programs; and

"(2) may use grant funds to carry out a leadership development program under subsection (f).

"(d) PARTNERSHIP GRANTS FOR PRE-BACCALAUREATE PREPARATION OF TEACHERS.—An eligible partnership that receives a grant to carry out an effective program for the pre-baccalaureate preparation of teachers shall carry out a program that includes all of the following:

"(1) REFORMS.—

"(A) IN GENERAL.—Implementing reforms, described in subparagraph (B), within each teacher preparation program and, as applicable, each preparation program for early childhood education programs, of the eligible partnership that is assisted under this section, to hold each program accountable for—

"(i) preparing—

"(I) new or prospective teachers to be highly qualified (including teachers in rural school districts who may teach multiple subjects, special educators, and teachers of students who are limited English proficient who may teach multiple subjects);

"(II) such teachers and, as applicable, early childhood educators, to understand empirically-based practice and scientifically valid research related to teaching and learning and the applicability of such practice and research, including through the effective use of technology, instructional techniques, and strategies consistent with the principles of universal design for learning, and through positive behavioral interventions and support strategies to improve student achievement; and

"(III) as applicable, early childhood educators to be highly competent; and

"(ii) promoting strong teaching skills and, as applicable, techniques for early childhood educators to improve children's cognitive, social, emotional, and physical development.

"(B) REQUIRED REFORMS.—The reforms described in subparagraph (A) shall include—

"(i) implementing teacher preparation program curriculum changes that improve, evaluate, and assess how well all prospective and new teachers develop teaching skills;

"(ii) using empirically-based practice and scientifically valid research, where applicable, about teaching

and learning so that all prospective teachers and, as applicable, early childhood educators—

"(I) understand and can implement research-based teaching practices in classroom instruction;

"(II) have knowledge of student learning methods;

"(III) possess skills to analyze student academic achievement data and other measures of student learning, and use such data and measures to improve classroom instruction;

"(IV) possess teaching skills and an understanding of effective instructional strategies across all applicable content areas that enable general education and special education teachers and early childhood educators to—

"(aa) meet the specific learning needs of all students, including students with disabilities, students who are limited English proficient, students who are gifted and talented, students with low literacy levels and, as applicable, children in early childhood education programs; and

"(bb) differentiate instruction for such students;

"(V) can effectively participate as a member of the individualized education program team, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act; and

"(VI) can successfully employ effective strategies for reading instruction using the essential components of reading instruction;

"(iii) ensuring collaboration with departments, programs, or units of a partner institution outside of the teacher preparation program in all academic content areas to ensure that prospective teachers receive training in both teaching and relevant content areas in order to become highly qualified, which may include training in multiple subjects to teach multiple grade levels as may be needed for individuals preparing to teach in rural communities and for individuals preparing to teach students with disabilities as described in section 602(10)(D) of the Individuals with Disabilities Education Act;

"(iv) developing and implementing an induction program;

"(v) developing admissions goals and priorities aligned with the hiring objectives of the high-need local educational agency in the eligible partnership; and

"(vi) implementing program and curriculum changes, as applicable, to ensure that prospective teachers have the requisite content knowledge, preparation, and degree to teach Advanced Placement or International Baccalaureate courses successfully.

"(2) CLINICAL EXPERIENCE AND INTERACTION.—Developing and improving a sustained and high-quality preservice clinical education program to further develop the teaching skills of

all prospective teachers and, as applicable, early childhood educators, involved in the program. Such program shall do the following:

"(A) Incorporate year-long opportunities for enrichment, including—

"(i) clinical learning in classrooms in high-need schools served by the high-need local educational agency in the eligible partnership, and identified by the eligible partnership; and

"(ii) closely supervised interaction between prospective teachers and faculty, experienced teachers, principals, other administrators, and school leaders at early childhood education programs (as applicable), elementary schools, or secondary schools, and providing support for such interaction.

"(B) Integrate pedagogy and classroom practice and promote effective teaching skills in academic content areas.

"(C) Provide high-quality teacher mentoring.

"(D) Be offered over the course of a program of teacher preparation.

"(E) Be tightly aligned with course work (and may be developed as a fifth year of a teacher preparation program).

"(F) Where feasible, allow prospective teachers to learn to teach in the same local educational agency in which the teachers will work, learning the instructional initiatives and curriculum of that local educational agency.

"(G) As applicable, provide training and experience to enhance the teaching skills of prospective teachers to better prepare such teachers to meet the unique needs of teaching in rural or urban communities.

"(H) Provide support and training for individuals participating in an activity for prospective or new teachers described in this paragraph or paragraph (1) or (3), and for individuals who serve as mentors for such teachers, based on each individual's experience. Such support may include—

"(i) with respect to a prospective teacher or a mentor, release time for such individual's participation;

"(ii) with respect to a faculty member, receiving course workload credit and compensation for time teaching in the eligible partnership's activities; and

"(iii) with respect to a mentor, a stipend, which may include bonus, differential, incentive, or performance pay, based on the mentor's extra skills and responsibilities.

"(3) INDUCTION PROGRAMS FOR NEW TEACHERS.—Creating an induction program for new teachers or, in the case of an early childhood education program, providing mentoring or coaching for new early childhood educators.

"(4) SUPPORT AND TRAINING FOR PARTICIPANTS IN EARLY CHILDHOOD EDUCATION PROGRAMS.—In the case of an eligible partnership focusing on early childhood educator preparation, implementing initiatives that increase compensation for early childhood educators who attain associate or baccalaureate degrees in early childhood education.

"(5) TEACHER RECRUITMENT.—Developing and implementing effective mechanisms (which may include alternative routes to State certification of teachers) to ensure that the eligible partnership is able to recruit qualified individuals to become highly qualified teachers through the activities of the eligible partnership, which may include an emphasis on recruiting into the teaching profession—

"(A) individuals from under represented populations;

"(B) individuals to teach in rural communities and teacher shortage areas, including mathematics, science, special education, and the instruction of limited English proficient students; and

"(C) mid-career professionals from other occupations, former military personnel, and recent college graduates with a record of academic distinction.

"(6) LITERACY TRAINING.—Strengthening the literacy teaching skills of prospective and, as applicable, new elementary school and secondary school teachers—

"(A) to implement literacy programs that incorporate the essential components of reading instruction;

"(B) to use screening, diagnostic, formative, and summative assessments to determine students' literacy levels, difficulties, and growth in order to improve classroom instruction and improve student reading and writing skills;

"(C) to provide individualized, intensive, and targeted literacy instruction for students with deficiencies in literacy skills; and

"(D) to integrate literacy skills in the classroom across subject areas.

"(e) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF TEACHING RESIDENCY PROGRAMS.—

"(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective teaching residency program shall carry out a program that includes all of the following activities:

"(A) Supporting a teaching residency program described in paragraph (2) for high-need subjects and areas, as determined by the needs of the high-need local educational agency in the partnership.

"(B) Placing graduates of the teaching residency program in cohorts that facilitate professional collaboration, both among graduates of the teaching residency program and between such graduates and mentor teachers in the receiving school.

"(C) Ensuring that teaching residents who participate in the teaching residency program receive—

"(i) effective preservice preparation as described in paragraph (2);

"(ii) teacher mentoring;

"(iii) support required through the induction program as the teaching residents enter the classroom as new teachers; and

"(iv) the preparation described in subparagraphs (A), (B), and (C) of subsection (d)(2).

"(2) TEACHING RESIDENCY PROGRAMS.—

"(A) ESTABLISHMENT AND DESIGN.—A teaching residency program under this paragraph shall be a program

based upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in the high-need schools in the eligible partnership, and shall be designed to include the following characteristics of successful programs:

"(i) The integration of pedagogy, classroom practice, and teacher mentoring.

"(ii) Engagement of teaching residents in rigorous graduate-level course work to earn a master's degree while undertaking a guided teaching apprenticeship.

"(iii) Experience and learning opportunities alongside a trained and experienced mentor teacher—

"(I) whose teaching shall complement the residency program so that classroom clinical practice is tightly aligned with coursework;

"(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for new teachers, and for establishing, within the program, a learning community in which all individuals are expected to continually improve their capacity to advance student learning; and

"(III) who may be relieved from teaching duties as a result of such additional responsibilities.

"(iv) The establishment of clear criteria for the selection of mentor teachers based on measures of teacher effectiveness and the appropriate subject area knowledge. Evaluation of teacher effectiveness shall be based on, but not limited to, observations of the following:

"(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative and diagnostic assessments to improve student learning.

"(II) Appropriate instruction that engages students with different learning styles.

"(III) Collaboration with colleagues to improve instruction.

"(IV) Analysis of gains in student learning, based on multiple measures that are valid and reliable and that, when feasible, may include valid, reliable, and objective measures of the influence of teachers on the rate of student academic progress.

"(V) In the case of mentor candidates who will be mentoring new or prospective literacy and mathematics coaches or instructors, appropriate skills in the essential components of reading instruction, teacher training in literacy instructional strategies across core subject areas, and teacher training in mathematics instructional strategies, as appropriate.

"(v) Grouping of teaching residents in cohorts to facilitate professional collaboration among such residents.

"(vi) The development of admissions goals and priorities—

"(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency, in exchange for a commitment by such agency to hire qualified graduates from the teaching residency program; and

"(II) which may include consideration of applicants who reflect the communities in which they will teach as well as consideration of individuals from underrepresented populations in the teaching profession.

"(vii) Support for residents, once the teaching residents are hired as teachers of record, through an induction program, professional development, and networking opportunities to support the residents through not less than the residents' first two years of teaching.

"(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

"(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a teacher resident in a teaching residency program under this paragraph, an individual shall—

"(I) be a recent graduate of a four-year institution of higher education or a mid-career professional from outside the field of education possessing strong content knowledge or a record of professional accomplishment; and

"(II) submit an application to the teaching residency program.

"(ii) SELECTION CRITERIA.—An eligible partnership carrying out a teaching residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the teaching residency program based on the following characteristics:

"(I) Strong content knowledge or record of accomplishment in the field or subject area to be taught.

"(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate tests.

"(III) Other attributes linked to effective teaching, which may be determined by interviews or performance assessments, as specified by the eligible partnership.

"(C) STIPENDS OR SALARIES; APPLICATIONS; AGREEMENTS; REPAYMENTS.—

"(i) STIPENDS OR SALARIES.—A teaching residency program under this subsection shall provide a one-year living stipend or salary to teaching residents during the one-year teaching residency program.

"(ii) APPLICATIONS FOR STIPENDS OR SALARIES.—Each teacher residency candidate desiring a stipend

or salary during the period of residency shall submit an application to the eligible partnership at such time, and containing such information and assurances, as the eligible partnership may require.

"(iii) AGREEMENTS TO SERVE.—Each application submitted under clause (ii) shall contain or be accompanied by an agreement that the applicant will—

"(I) serve as a full-time teacher for a total of not less than three academic years immediately after successfully completing the one-year teaching residency program;

"(II) fulfill the requirement under subclause (I) by teaching in a high-need school served by the high-need local educational agency in the eligible partnership and teach a subject or area that is designated as high need by the partnership;

"(III) provide to the eligible partnership a certificate, from the chief administrative officer of the local educational agency in which the resident is employed, of the employment required in subclauses (I) and (II) at the beginning of, and upon completion of, each year or partial year of service;

"(IV) meet the requirements to be a highly qualified teacher, as defined in section 9101 of the Elementary and Secondary Education Act of 1965, or section 602 of the Individuals with Disabilities Education Act, when the applicant begins to fulfill the service obligation under this clause; and

"(V) comply with the requirements set by the eligible partnership under clause (iv) if the applicant is unable or unwilling to complete the service obligation required by this clause.

"(iv) REPAYMENTS.—

"(I) IN GENERAL.—A grantee carrying out a teaching residency program under this paragraph shall require a recipient of a stipend or salary under clause (i) who does not complete, or who notifies the partnership that the recipient intends not to complete, the service obligation required by clause (iii) to repay such stipend or salary to the eligible partnership, together with interest, at a rate specified by the partnership in the agreement, and in accordance with such other terms and conditions specified by the eligible partnership, as necessary.

"(II) OTHER TERMS AND CONDITIONS.—Any other terms and conditions specified by the eligible partnership may include reasonable provisions for pro-rata repayment of the stipend or salary described in clause (i) or for deferral of a teaching resident's service obligation required by clause (iii), on grounds of health, incapacitation, inability to secure employment in a school served by the eligible partnership, being called to active duty in the Armed Forces of the United States, or other extraordinary circumstances.

"(III) USE OF REPAYMENTS.—An eligible partnership shall use any repayment received under this clause to carry out additional activities that are consistent with the purposes of this subsection.

"(f) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF LEADERSHIP PROGRAMS.—

"(1) IN GENERAL.—An eligible partnership that receives a grant under this section may carry out an effective school leadership program, which may be carried out in partnership with a local educational agency located in a rural area and that shall include all of the following activities:

"(A) Preparing individuals enrolled or preparing to enroll in school leadership programs for careers as superintendents, principals, early childhood education program directors, or other school leaders (including individuals preparing to work in local educational agencies located in rural areas who may perform multiple duties in addition to the role of a school leader).

"(B) Promoting strong leadership skills and, as applicable, techniques for school leaders to effectively—

"(i) create and maintain a data-driven, professional learning community within the leader's school;

"(ii) provide a climate conducive to the professional development of teachers, with a focus on improving student academic achievement and the development of effective instructional leadership skills;

"(iii) understand the teaching and assessment skills needed to support successful classroom instruction and to use data to evaluate teacher instruction and drive teacher and student learning;

"(iv) manage resources and school time to improve student academic achievement and ensure the school environment is safe;

"(v) engage and involve parents, community members, the local educational agency, businesses, and other community leaders, to leverage additional resources to improve student academic achievement; and

"(vi) understand how students learn and develop in order to increase academic achievement for all students.

"(C) Ensuring that individuals who participate in the school leadership program receive—

"(i) effective preservice preparation as described in subparagraph (D);

"(ii) mentoring; and

"(iii) if applicable, full State certification or licensure to become a school leader.

"(D) Developing and improving a sustained and high-quality preservice clinical education program to further develop the leadership skills of all prospective school leaders involved in the program. Such clinical education program shall do the following:

"(i) Incorporate year-long opportunities for enrichment, including—

"(I) clinical learning in high-need schools served by the high-need local educational agency

or a local educational agency located in a rural area in the eligible partnership and identified by the eligible partnership; and

"(II) closely supervised interaction between prospective school leaders and faculty, new and experienced teachers, and new and experienced school leaders, in such high-need schools.

"(ii) Integrate pedagogy and practice and promote effective leadership skills, meeting the unique needs of urban, rural, or geographically isolated communities, as applicable.

"(iii) Provide for mentoring of new school leaders.

"(E) Creating an induction program for new school leaders.

"(F) Developing and implementing effective mechanisms to ensure that the eligible partnership is able to recruit qualified individuals to become school leaders through the activities of the eligible partnership, which may include an emphasis on recruiting into school leadership professions—

"(i) individuals from underrepresented populations;

"(ii) individuals to serve as superintendents, principals, or other school administrators in rural and geographically isolated communities and school leader shortage areas; and

"(iii) mid-career professionals from other occupations, former military personnel, and recent college graduates with a record of academic distinction.

"(2) SELECTION OF INDIVIDUALS FOR THE LEADERSHIP PROGRAM.—In order to be eligible for the school leadership program under this subsection, an individual shall be enrolled in or preparing to enroll in an institution of higher education, and shall—

"(A) be a—

"(i) recent graduate of an institution of higher education;

"(ii) mid-career professional from outside the field of education with strong content knowledge or a record of professional accomplishment;

"(iii) current teacher who is interested in becoming a school leader; or

"(iv) school leader who is interested in becoming a superintendent; and

"(B) submit an application to the leadership program.

"(g) PARTNERSHIP WITH DIGITAL EDUCATION CONTENT DEVELOPER.—An eligible partnership that receives a grant under this section may use grant funds provided to carry out the activities described in subsection (d) or (e), or both, to partner with a television public broadcast station, as defined in section 397(6) of the Communications Act of 1934 (47 U.S.C. 397(6)), or another entity that develops digital educational content, for the purpose of improving the quality of pre-baccalaureate teacher preparation programs or to enhance the quality of preservice training for prospective teachers.

"(h) EVALUATION AND REPORTING.—The Secretary shall—

"(1) evaluate the programs assisted under this section; and

"(2) make publicly available a report detailing the Secretary's evaluation of each such program.

"(i) CONSULTATION.—

"(1) IN GENERAL.—Members of an eligible partnership that receives a grant under this section shall engage in regular consultation throughout the development and implementation of programs and activities carried out under this section.

"(2) REGULAR COMMUNICATION.—To ensure timely and meaningful consultation as described in paragraph (1), regular communication shall occur among all members of the eligible partnership, including the high-need local educational agency. Such communication shall continue throughout the implementation of the grant and the assessment of programs and activities under this section.

"(3) WRITTEN CONSENT.—The Secretary may approve changes in grant activities of a grant under this section only if the eligible partnership submits to the Secretary a written consent of such changes signed by all members of the eligible partnership.

"(j) CONSTRUCTION.—Nothing in this section shall be construed to prohibit an eligible partnership from using grant funds to coordinate with the activities of eligible partnerships in other States or on a regional basis through Governors, State boards of education, State educational agencies, State agencies responsible for early childhood education, local educational agencies, or State agencies for higher education.

"(k) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 203. ADMINISTRATIVE PROVISIONS.

"(a) DURATION; NUMBER OF AWARDS; PAYMENTS.—

"(1) DURATION.—A grant awarded under this part shall be awarded for a period of five years.

"(2) NUMBER OF AWARDS.—An eligible partnership may not receive more than one grant during a five-year period. Nothing in this title shall be construed to prohibit an individual member, that can demonstrate need, of an eligible partnership that receives a grant under this title from entering into another eligible partnership consisting of new members and receiving a grant with such other eligible partnership before the five-year period described in the preceding sentence applicable to the eligible partnership with which the individual member has first partnered has expired.

"(b) PEER REVIEW.—

"(1) PANEL.—The Secretary shall provide the applications submitted under this part to a peer review panel for evaluation. With respect to each application, the peer review panel shall initially recommend the application for funding or for disapproval.

"(2) PRIORITY.—The Secretary, in funding applications under this part, shall give priority—

"(A) to eligible partnerships that include an institution of higher education whose teacher preparation program has a rigorous selection process to ensure the highest quality of students entering such program; and

"(B)(i) to applications from broad-based eligible partnerships that involve businesses and community organizations; or

"(ii) to eligible partnerships so that the awards promote an equitable geographic distribution of grants among rural and urban areas.

"(3) SECRETARIAL SELECTION.—The Secretary shall determine, based on the peer review process, which applications shall receive funding and the amounts of the grants. In determining grant amounts, the Secretary shall take into account the total amount of funds available for all grants under this part and the types of activities proposed to be carried out by the eligible partnership.

"(c) MATCHING REQUIREMENTS.—

"(1) IN GENERAL.—Each eligible partnership receiving a grant under this part shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of the grant, which may be provided in cash or in-kind, to carry out the activities supported by the grant.

"(2) WAIVER.—The Secretary may waive all or part of the matching requirement described in paragraph (1) for any fiscal year for an eligible partnership if the Secretary determines that applying the matching requirement to the eligible partnership would result in serious hardship or an inability to carry out the authorized activities described in this part.

"(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible partnership that receives a grant under this part may use not more than two percent of the funds provided to administer the grant.

"SEC. 204. ACCOUNTABILITY AND EVALUATION.

"(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under this part shall establish, and include in such application, an evaluation plan that includes strong and measurable performance objectives. The plan shall include objectives and measures for increasing—

"(1) achievement for all prospective and new teachers, as measured by the eligible partnership;

"(2) teacher retention in the first three years of a teacher's career;

"(3) improvement in the pass rates and scaled scores for initial State certification or licensure of teachers; and

"(4)(A) the percentage of highly qualified teachers hired by the high-need local educational agency participating in the eligible partnership;

"(B) the percentage of highly qualified teachers hired by the high-need local educational agency who are members of underrepresented groups;

"(C) the percentage of highly qualified teachers hired by the high-need local educational agency who teach high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages and critical foreign languages);

"(D) the percentage of highly qualified teachers hired by the high-need local educational agency who teach in high-need

areas (including special education, language instruction educational programs for limited English proficient students, and early childhood education);

"(E) the percentage of highly qualified teachers hired by the high-need local educational agency who teach in high-need schools, disaggregated by the elementary school and secondary school levels;

"(F) as applicable, the percentage of early childhood education program classes in the geographic area served by the eligible partnership taught by early childhood educators who are highly competent; and

"(G) as applicable, the percentage of teachers trained—

"(i) to integrate technology effectively into curricula and instruction, including technology consistent with the principles of universal design for learning; and

"(ii) to use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of improving student academic achievement.

"(b) INFORMATION.—An eligible partnership receiving a grant under this part shall ensure that teachers, principals, school superintendents, faculty, and leadership at institutions of higher education located in the geographic areas served by the eligible partnership are provided information, including through electronic means, about the activities carried out with funds under this part.

"(c) REVISED APPLICATION.—If the Secretary determines that an eligible partnership receiving a grant under this part is not making substantial progress in meeting the purposes, goals, objectives, and measures of the grant, as appropriate, by the end of the third year of a grant under this part, then the Secretary—

"(1) shall cancel the grant; and

"(2) may use any funds returned or available because of such cancellation under paragraph (1) to—

"(A) increase other grant awards under this part; or

"(B) award new grants to other eligible partnerships under this part.

"(d) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate the activities funded under this part and report the findings regarding the evaluation of such activities to the authorizing committees. The Secretary shall broadly disseminate—

"(1) successful practices developed by eligible partnerships under this part; and

"(2) information regarding such practices that were found to be ineffective.

"SEC. 205. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS.

"(a) INSTITUTIONAL AND PROGRAM REPORT CARDS ON THE QUALITY OF TEACHER PREPARATION.—

"(1) REPORT CARD.—Each institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and that enrolls students receiving Federal assistance under this Act shall report annually to the State and the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, the following:

"(A) GOALS AND ASSURANCES.—

"(i) For the most recent year for which the information is available for the institution—

"(I) whether the goals set under section 206 have been met; and

"(II) a description of the activities the institution implemented to achieve such goals.

"(ii) A description of the steps the institution is taking to improve its performance in meeting the annual goals set under section 206.

"(iii) A description of the activities the institution has implemented to meet the assurances provided under section 206.

"(B) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for those students who took the assessments used for teacher certification or licensure by the State in which the program is located and are enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, and for those who have taken such assessments and have completed the traditional teacher preparation program or alternative routes to State certification or licensure program during the two-year period preceding such year, for each of such assessments—

"(i) the percentage of students who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

"(ii) the percentage of all students who passed such assessment;

"(iii) the percentage of students who have taken such assessment who enrolled in and completed the traditional teacher preparation program or alternative routes to State certification or licensure program, as applicable;

"(iv) the average scaled score for all students who took such assessment;

"(v) a comparison of the program's pass rates with the average pass rates for programs in the State; and

"(vi) a comparison of the program's average scaled scores with the average scaled scores for programs in the State.

"(C) PROGRAM INFORMATION.—A description of—

"(i) the criteria for admission into the program;

"(ii) the number of students in the program (disaggregated by race, ethnicity, and gender);

"(iii) the average number of hours of supervised clinical experience required for those in the program;

"(iv) the number of full-time equivalent faculty and students in the supervised clinical experience; and

"(v) the total number of students who have been certified or licensed as teachers, disaggregated by subject and area of certification or licensure.

"(D) STATEMENT.—In States that require approval or accreditation of teacher preparation programs, a statement of whether the institution's program is so approved or accredited, and by whom.

"(E) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 207(a).

"(F) USE OF TECHNOLOGY.—A description of the activities, including activities consistent with the principles of universal design for learning, that prepare teachers to integrate technology effectively into curricula and instruction, and to use technology effectively to collect, manage, and analyze data in order to improve teaching and learning for the purpose of increasing student academic achievement.

"(G) TEACHER TRAINING.—A description of the activities that prepare general education and special education teachers to teach students with disabilities effectively, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act, and to effectively teach students who are limited English proficient.

"(2) REPORT.—Each eligible partnership receiving a grant under section 202 shall report annually on the progress of the eligible partnership toward meeting the purposes of this part and the objectives and measures described in section 204(a).

"(3) FINES.—The Secretary may impose a fine not to exceed $27,500 on an institution of higher education for failure to provide the information described in this subsection in a timely or accurate manner.

"(4) SPECIAL RULE.—In the case of an institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and has fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the institution shall collect and publish information, as required under paragraph (1)(B), with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a three-year period.

"(b) STATE REPORT CARD ON THE QUALITY OF TEACHER PREPARATION.—

"(1) IN GENERAL.—Each State that receives funds under this Act shall provide to the Secretary, and make widely available to the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, an annual State report card on the quality of teacher preparation in the State, both for traditional teacher preparation programs and for alternative routes to State certification or licensure programs, which shall include not less than the following:

"(A) A description of the reliability and validity of the teacher certification and licensure assessments, and any other certification and licensure requirements, used by the State.

"(B) The standards and criteria that prospective teachers must meet to attain initial teacher certification or licensure and to be certified or licensed to teach particular academic subjects, areas, or grades within the State.

"(C) A description of how the assessments and requirements described in subparagraph (A) are aligned with the State's challenging academic content standards required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and, as applicable, State early learning standards for early childhood education programs.

"(D) For each of the assessments used by the State for teacher certification or licensure—

"(i) for each institution of higher education located in the State and each entity located in the State, including those that offer an alternative route for teacher certification or licensure, the percentage of students at such institution or entity who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

"(ii) the percentage of all such students at all such institutions and entities who have taken the assessment who pass such assessment;

"(iii) the percentage of students who have taken the assessment who enrolled in and completed a teacher preparation program; and

"(iv) the average scaled score of individuals participating in such a program, or who have completed such a program during the two-year period preceding the first year for which the annual State report card is provided, who took each such assessment.

"(E) A description of alternative routes to teacher certification or licensure in the State (including any such routes operated by entities that are not institutions of higher education), if any, including, for each of the assessments used by the State for teacher certification or licensure—

"(i) the percentage of individuals participating in such routes, or who have completed such routes during the two-year period preceding the date for which the determination is made, who passed each such assessment; and

"(ii) the average scaled score of individuals participating in such routes, or who have completed such routes during the two-year period preceding the first year for which the annual State report card is provided, who took each such assessment.

"(F) A description of the State's criteria for assessing the performance of teacher preparation programs within institutions of higher education in the State. Such criteria shall include indicators of the academic content knowledge and teaching skills of students enrolled in such programs.

"(G) For each teacher preparation program in the State—

"(i) the criteria for admission into the program;

"(ii) the number of students in the program, disaggregated by race, ethnicity, and gender (except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student);

"(iii) the average number of hours of supervised clinical experience required for those in the program; and

"(iv) the number of full-time equivalent faculty, adjunct faculty, and students in supervised clinical experience.

"(H) For the State as a whole, and for each teacher preparation program in the State, the number of teachers prepared, in the aggregate and reported separately by—

"(i) area of certification or licensure;

"(ii) academic major; and

"(iii) subject area for which the teacher has been prepared to teach.

"(I) A description of the extent to which teacher preparation programs are addressing shortages of highly qualified teachers, by area of certification or licensure, subject, and specialty, in the State's public schools.

"(J) The extent to which teacher preparation programs prepare teachers, including general education and special education teachers, to teach students with disabilities effectively, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act.

"(K) A description of the activities that prepare teachers to—

"(i) integrate technology effectively into curricula and instruction, including activities consistent with the principles of universal design for learning; and

"(ii) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of increasing student academic achievement.

"(L) The extent to which teacher preparation programs prepare teachers, including general education and special education teachers, to effectively teach students who are limited English proficient.

"(2) PROHIBITION AGAINST CREATING A NATIONAL LIST.—The Secretary shall not create a national list or ranking of States, institutions, or schools using the scaled scores provided under this subsection.

"(c) DATA QUALITY.—The Secretary shall prescribe regulations to ensure the reliability, validity, integrity, and accuracy of the data submitted pursuant to this section.

"(d) REPORT OF THE SECRETARY ON THE QUALITY OF TEACHER PREPARATION.—

"(1) REPORT CARD.—The Secretary shall annually provide to the authorizing committees, and publish and make widely available, a report card on teacher qualifications and preparation in the United States, including all the information reported in subparagraphs (A) through (L) of subsection (b)(1). Such report shall identify States for which eligible partnerships received a grant under this part.

"(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit a report to the authorizing committees that contains the following:

"(A) A comparison of States' efforts to improve the quality of the current and future teaching force.

"(B) A comparison of eligible partnerships' efforts to improve the quality of the current and future teaching force.

"(C) The national mean and median scaled scores and pass rate on any standardized test that is used in more than one State for teacher certification or licensure.

"(3) SPECIAL RULE.—In the case of a teacher preparation program with fewer than ten scores reported on any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish, and make publicly available, information with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a three-year period.

"(e) COORDINATION.—The Secretary, to the extent practicable, shall coordinate the information collected and published under this part among States for individuals who took State teacher certification or licensure assessments in a State other than the State in which the individual received the individual's most recent degree.

"SEC. 206. TEACHER DEVELOPMENT.

"(a) ANNUAL GOALS.—Each institution of higher education that conducts a traditional teacher preparation program (including programs that offer any ongoing professional development programs) or alternative routes to State certification or licensure program, and that enrolls students receiving Federal assistance under this Act, shall set annual quantifiable goals for increasing the number of prospective teachers trained in teacher shortage areas designated by the Secretary or by the State educational agency, including mathematics, science, special education, and instruction of limited English proficient students.

"(b) ASSURANCES.—Each institution described in subsection (a) shall provide assurances to the Secretary that—

"(1) training provided to prospective teachers responds to the identified needs of the local educational agencies or States where the institution's graduates are likely to teach, based on past hiring and recruitment trends;

"(2) training provided to prospective teachers is closely linked with the needs of schools and the instructional decisions new teachers face in the classroom;

"(3) prospective special education teachers receive course work in core academic subjects and receive training in providing instruction in core academic subjects;

"(4) general education teachers receive training in providing instruction to diverse populations, including children with disabilities, limited English proficient students, and children from low-income families; and

"(5) prospective teachers receive training on how to effectively teach in urban and rural schools, as applicable.

"(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an institution to create a new teacher preparation area of concentration or degree program or adopt a specific curriculum in complying with this section.

"SEC. 207. STATE FUNCTIONS.

"(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State shall conduct an assessment to identify low-performing

teacher preparation programs in the State and to assist such programs through the provision of technical assistance. Each such State shall provide the Secretary with an annual list of low-performing teacher preparation programs and an identification of those programs at risk of being placed on such list, as applicable. Such assessment shall be described in the report under section 205(b). Levels of performance shall be determined solely by the State and may include criteria based on information collected pursuant to this part, including progress in meeting the goals of—

"(1) increasing the percentage of highly qualified teachers in the State, including increasing professional development opportunities;

"(2) improving student academic achievement for elementary and secondary students; and

"(3) raising the standards for entry into the teaching profession.

"(b) TERMINATION OF ELIGIBILITY.—Any teacher preparation program from which the State has withdrawn the State's approval, or terminated the State's financial support, due to the low performance of the program based upon the State assessment described in subsection (a)—

"(1) shall be ineligible for any funding for professional development activities awarded by the Department;

"(2) may not be permitted to accept or enroll any student who receives aid under title IV in the institution's teacher preparation program;

"(3) shall provide transitional support, including remedial services if necessary, for students enrolled at the institution at the time of termination of financial support or withdrawal of approval; and

"(4) shall be reinstated upon demonstration of improved performance, as determined by the State.

"(c) NEGOTIATED RULEMAKING.—If the Secretary develops any regulations implementing subsection (b)(2), the Secretary shall submit such proposed regulations to a negotiated rulemaking process, which shall include representatives of States, institutions of higher education, and educational and student organizations.

"(d) APPLICATION OF THE REQUIREMENTS.—The requirements of this section shall apply to both traditional teacher preparation programs and alternative routes to State certification and licensure programs.

"SEC. 208. GENERAL PROVISIONS.

"(a) METHODS.—In complying with sections 205 and 206, the Secretary shall ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods do not reveal personally identifiable information.

"(b) SPECIAL RULE.—For each State that does not use content assessments as a means of ensuring that all teachers teaching in core academic subjects within the State are highly qualified, as required under section 1119 of the Elementary and Secondary Education Act of 1965, in accordance with the State plan submitted or revised under section 1111 of such Act, and that each person employed as a special education teacher in the State who teaches elementary school or secondary school is highly qualified by the deadline, as required under section 612(a)(14)(C) of the Individuals with Disabilities Education Act, the Secretary shall—

"(1) to the extent practicable, collect data comparable to the data required under this part from States, local educational agencies, institutions of higher education, or other entities that administer such assessments to teachers or prospective teachers; and

"(2) notwithstanding any other provision of this part, use such data to carry out requirements of this part related to assessments, pass rates, and scaled scores.

"(c) RELEASE OF INFORMATION TO TEACHER PREPARATION PROGRAMS.—

"(1) IN GENERAL.—For the purpose of improving teacher preparation programs, a State that receives funds under this Act, or that participates as a member of a partnership, consortium, or other entity that receives such funds, shall provide to a teacher preparation program, upon the request of the teacher preparation program, any and all pertinent education-related information that—

"(A) may enable the teacher preparation program to evaluate the effectiveness of the program's graduates or the program itself; and

"(B) is possessed, controlled, or accessible by the State.

"(2) CONTENT OF INFORMATION.—The information described in paragraph (1)—

"(A) shall include an identification of specific individuals who graduated from the teacher preparation program to enable the teacher preparation program to evaluate the information provided to the program from the State with the program's own data about the specific courses taken by, and field experiences of, the individual graduates; and

"(B) may include—

"(i) kindergarten through grade 12 academic achievement and demographic data, without revealing personally identifiable information about an individual student, for students who have been taught by graduates of the teacher preparation program; and

"(ii) teacher effectiveness evaluations for teachers who graduated from the teacher preparation program.

"SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $300,000,000 for fiscal year 2009 and such sums as may be necessary for each of the two succeeding fiscal years."; and

(3) by striking part B and inserting the following:

"PART B—ENHANCING TEACHER EDUCATION

"SEC. 230. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"Subpart 1—Preparing Teachers for Digital Age Learners

"SEC. 231. PROGRAM AUTHORIZED.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements

with, eligible consortia to pay the Federal share of the costs of projects to—

"(1) serve graduate teacher candidates who are prepared to use modern information, communication, and learning tools to—

"(A) improve student learning, assessment, and learning management; and

"(B) help students develop learning skills to succeed in higher education and to enter the workforce;

"(2) strengthen and develop partnerships among the stakeholders in teacher preparation to transform teacher education and ensure technology-rich teaching and learning environments throughout a teacher candidate's preservice education, including clinical experiences; and

"(3) assess the effectiveness of departments, schools, and colleges of education at institutions of higher education in preparing teacher candidates for successful implementation of technology-rich teaching and learning environments, including environments consistent with the principles of universal design for learning, that enable kindergarten through grade 12 students to develop learning skills to succeed in higher education and to enter the workforce.

"(b) AMOUNT AND DURATION.—A grant, contract, or cooperative agreement under this subpart—

"(1) shall be for not more than $2,000,000;

"(2) shall be for a three-year period; and

"(3) may be renewed for one additional year.

"(c) NON-FEDERAL SHARE REQUIREMENT.—The Federal share of the cost of any project funded under this subpart shall not exceed 75 percent. The non-Federal share of the cost of such project may be provided in cash or in kind, fairly evaluated, including services.

"(d) DEFINITION OF ELIGIBLE CONSORTIUM.—In this subpart, the term 'eligible consortium' means a consortium of members that includes the following:

"(1) Not less than one institution of higher education that awards baccalaureate or masters degrees and prepares teachers for initial entry into teaching.

"(2) Not less than one State educational agency or local educational agency.

"(3) A department, school, or college of education at an institution of higher education.

"(4) A department, school, or college of arts and sciences at an institution of higher education.

"(5) Not less than one entity with the capacity to contribute to the technology-related reform of teacher preparation programs, which may be a professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity.

"SEC. 232. USES OF FUNDS.

"(a) IN GENERAL.—An eligible consortium that receives a grant or enters into a contract or cooperative agreement under this subpart shall use funds made available under this subpart to carry out a project that—

"(1) develops long-term partnerships among members of the consortium that are focused on effective teaching with

modern digital tools and content that substantially connect preservice preparation of teacher candidates with high-need schools; or

"(2) transforms the way departments, schools, and colleges of education teach classroom technology integration, including the principles of universal design, to teacher candidates.

"(b) USES OF FUNDS FOR PARTNERSHIP GRANTS.—In carrying out a project under subsection (a)(1), an eligible consortium shall—

"(1) provide teacher candidates, early in their preparation, with field experiences with technology in educational settings;

"(2) build the skills of teacher candidates to support technology-rich instruction, assessment and learning management in content areas, technology literacy, an understanding of the principles of universal design, and the development of other skills for entering the workforce;

"(3) provide professional development in the use of technology for teachers, administrators, and content specialists who participate in field placement;

"(4) provide professional development of technology pedagogical skills for faculty of departments, schools, and colleges of education and arts and sciences;

"(5) implement strategies for the mentoring of teacher candidates by members of the consortium with respect to technology implementation;

"(6) evaluate teacher candidates during the first years of teaching to fully assess outcomes of the project;

"(7) build collaborative learning communities for technology integration within the consortium to sustain meaningful applications of technology in the classroom during teacher preparation and early career practice; and

"(8) evaluate the effectiveness of the project.

"(c) USES OF FUNDS FOR TRANSFORMATION GRANTS.—In carrying out a project under subsection (a)(2), an eligible consortium shall—

"(1) redesign curriculum to require collaboration between the department, school, or college of education faculty and the department, school, or college of arts and sciences faculty who teach content or methods courses for training teacher candidates;

"(2) collaborate between the department, school, or college of education faculty and the department, school, or college of arts and science faculty and academic content specialists at the local educational agency to educate preservice teachers who can integrate technology and pedagogical skills in content areas;

"(3) collaborate between the department, school, or college of education faculty and the department, school, or college of arts and sciences faculty who teach courses to preservice teachers to—

"(A) develop and implement a plan for preservice teachers and continuing educators that demonstrates effective instructional strategies and application of such strategies in the use of digital tools to transform the teaching and learning process; and

"(B) better reach underrepresented preservice teacher populations with programs that connect such preservice teacher populations with applications of technology;

"(4) collaborate among faculty and students to create and disseminate case studies of technology applications in classroom settings with a goal of improving student academic achievement in high-need schools;

"(5) provide additional technology resources for preservice teachers to plan and implement technology applications in classroom settings that provide evidence of student learning; and

"(6) bring together expertise from departments, schools, or colleges of education, arts and science faculty, and academic content specialists at the local educational agency to share and disseminate technology applications in the classroom through teacher preparation and into early career practice.

"SEC. 233. APPLICATION REQUIREMENTS.

"To be eligible to receive a grant or enter into a contract or cooperative agreement under this subpart, an eligible consortium shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include the following:

"(1) A description of the project to be carried out with the grant, including how the project will—

"(A) develop a long-term partnership focused on effective teaching with modern digital tools and content that substantially connects preservice preparation of teacher candidates with high-need schools; or

"(B) transform the way departments, schools, and colleges of education teach classroom technology integration, including the principles of universal design, to teacher candidates.

"(2) A demonstration of—

"(A) the commitment, including the financial commitment, of each of the members of the consortium for the proposed project; and

"(B) the support of the leadership of each organization that is a member of the consortium for the proposed project.

"(3) A description of how each member of the consortium will participate in the project.

"(4) A description of how the State educational agency or local educational agency will incorporate the project into the agency's technology plan, if such a plan already exists.

"(5) A description of how the project will be continued after Federal funds are no longer available under this subpart for the project.

"(6) A description of how the project will incorporate—

"(A) State teacher technology standards; and

"(B) State student technology standards.

"(7) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

"SEC. 234. EVALUATION.

"Not less than ten percent of the funds awarded to an eligible consortium to carry out a project under this subpart shall be used to evaluate the effectiveness of such project.

"Subpart 2—Honorable Augustus F. Hawkins Centers of Excellence

"SEC. 241. DEFINITIONS.

"In this subpart:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means—

"(A) an institution of higher education that has a teacher preparation program that is a qualified teacher preparation program and that is—

"(i) a part B institution (as defined in section 322);

"(ii) a Hispanic-serving institution (as defined in section 502);

"(iii) a Tribal College or University (as defined in section 316);

"(iv) an Alaska Native-serving institution (as defined in section 317(b));

"(v) a Native Hawaiian-serving institution (as defined in section 317(b));

"(vi) a Predominantly Black Institution (as defined in section 318);

"(vii) an Asian American and Native American Pacific Islander-serving institution (as defined in section 320(b)); or

"(viii) a Native American-serving, nontribal institution (as defined in section 319);

"(B) a consortium of institutions described in subparagraph (A); or

"(C) an institution described in subparagraph (A), or a consortium described in subparagraph (B), in partnership with any other institution of higher education, but only if the center of excellence established under section 242 is located at an institution described in subparagraph (A).

"(2) SCIENTIFICALLY BASED READING RESEARCH.—The term 'scientifically based reading research' has the meaning given such term in section 1208 of the Elementary and Secondary Education Act of 1965.

"SEC. 242. AUGUSTUS F. HAWKINS CENTERS OF EXCELLENCE.

"(a) PROGRAM AUTHORIZED.—From the amounts appropriated to carry out this part, the Secretary is authorized to award competitive grants to eligible institutions to establish centers of excellence.

"(b) USE OF FUNDS.—Grants provided by the Secretary under this subpart shall be used to ensure that current and future teachers are highly qualified by carrying out one or more of the following activities:

"(1) Implementing reforms within teacher preparation programs to ensure that such programs are preparing teachers who are highly qualified, are able to understand scientifically valid research, and are able to use advanced technology effectively in the classroom, including use of instructional techniques to improve student academic achievement, by—

"(A) retraining or recruiting faculty; and

"(B) designing (or redesigning) teacher preparation programs that—

"(i) prepare teachers to serve in low-performing schools and close student achievement gaps, and that

are based on rigorous academic content, scientifically valid research (including scientifically based reading research and mathematics research, as it becomes available), and challenging State academic content standards and student academic achievement standards; and

"(ii) promote strong teaching skills.

"(2) Providing sustained and high-quality preservice clinical experience, including the mentoring of prospective teachers by exemplary teachers, substantially increasing interaction between faculty at institutions of higher education and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools, and providing support, including preparation time, for such interaction.

"(3) Developing and implementing initiatives to promote retention of highly qualified teachers and principals, including minority teachers and principals, including programs that provide—

"(A) teacher or principal mentoring from exemplary teachers or principals, respectively; or

"(B) induction and support for teachers and principals during their first three years of employment as teachers or principals, respectively.

"(4) Awarding scholarships based on financial need to help students pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, not to exceed the cost of attendance.

"(5) Disseminating information on effective practices for teacher preparation and successful teacher certification and licensure assessment preparation strategies.

"(6) Activities authorized under section 202.

"(c) APPLICATION.—Any eligible institution desiring a grant under this subpart shall submit an application to the Secretary at such a time, in such a manner, and accompanied by such information as the Secretary may require.

"(d) MINIMUM GRANT AMOUNT.—The minimum amount of each grant under this subpart shall be $500,000.

"(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible institution that receives a grant under this subpart may use not more than two percent of the funds provided to administer the grant.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

"Subpart 3—Preparing General Education Teachers to More Effectively Educate Students With Disabilities

"SEC. 251. TEACH TO REACH GRANTS.

"(a) AUTHORIZATION OF PROGRAM.—

"(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to improve the preparation of general education teacher candidates to ensure that such teacher candidates possess the knowledge and skills necessary to effectively instruct students with disabilities in general education classrooms.

"(2) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of not more than five years.

"(3) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this section shall provide not less than 25 percent of the cost of the activities carried out with such grant from non-Federal sources, which may be provided in cash or in kind.

"(b) DEFINITION OF ELIGIBLE PARTNERSHIP.—In this section, the term 'eligible partnership' means a partnership that—

"(1) shall include—

"(A) one or more departments or programs at an institution of higher education—

"(i) that prepare elementary or secondary general education teachers;

"(ii) that have a program of study that leads to an undergraduate degree, a master's degree, or completion of a postbaccalaureate program required for teacher certification; and

"(iii) the graduates of which are highly qualified;

"(B) a department or program of special education at an institution of higher education;

"(C) a department or program at an institution of higher education that provides degrees in core academic subjects; and

"(D) a high-need local educational agency; and

"(2) may include a department or program of mathematics, earth or physical science, foreign language, or another department at the institution that has a role in preparing teachers.

"(c) ACTIVITIES.—An eligible partnership that receives a grant under this section—

"(1) shall use the grant funds to—

"(A) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating special education strategies into the general education curriculum and academic content;

"(B) provide teacher candidates participating in the program under subparagraph (A) with skills related to—

"(i) response to intervention, positive behavioral interventions and supports, differentiated instruction, and data driven instruction;

"(ii) universal design for learning;

"(iii) determining and utilizing accommodations for instruction and assessments;

"(iv) collaborating with special educators, related services providers, and parents, including participation in individualized education program development and implementation; and

"(v) appropriately utilizing technology and assistive technology for students with disabilities; and

"(C) provide extensive clinical experience for participants described in subparagraph (B) with mentoring and induction support throughout the program that continues during the first two years of full-time teaching; and

"(2) may use grant funds to develop and administer alternate assessments of students with disabilities.

"(d) APPLICATION.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary

at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

"(1) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and needs related to preparing general education teacher candidates to instruct students with disabilities; and

"(2) an assessment of the existing personnel needs for general education teachers who instruct students with disabilities, performed by the local educational agency in which most graduates of the teacher preparation program are likely to teach after completion of the program under subsection (c)(1).

"(e) PEER REVIEW.—The Secretary shall convene a peer review committee to review applications for grants under this section and to make recommendations to the Secretary regarding the selection of grantees. Members of the peer review committee shall be recognized experts in the fields of special education, teacher preparation, and general education and shall not be in a position to benefit financially from any grants awarded under this section.

"(f) EVALUATIONS.—

"(1) BY THE PARTNERSHIP.—

"(A) IN GENERAL.—An eligible partnership receiving a grant under this section shall conduct an evaluation at the end of the grant period to determine—

"(i) the effectiveness of the general education teachers who completed a program under subsection (c)(1) with respect to instruction of students with disabilities in general education classrooms; and

"(ii) the systemic impact of the activities carried out by such grant on how each institution of higher education that is a member of the partnership prepares teachers for instruction in elementary schools and secondary schools.

"(B) REPORT TO THE SECRETARY.—Each eligible partnership performing an evaluation under subparagraph (A) shall report the findings of such evaluation to the Secretary.

"(2) REPORT BY THE SECRETARY.—Not later than 180 days after the last day of the grant period under this section, the Secretary shall make available to Congress and the public the findings of the evaluations submitted under paragraph (1), and information on best practices related to effective instruction of students with disabilities in general education classrooms.

"Subpart 4—Adjunct Teacher Corps

"SEC. 255. ADJUNCT TEACHER CORPS.

"(a) PURPOSE.—The purpose of this section is to create opportunities for professionals and other individuals with subject matter expertise in mathematics, science, or critical foreign languages to provide such subject matter expertise to secondary school students on an adjunct basis.

"(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants on a competitive basis to eligible entities to identify, recruit, and train qualified individuals with subject matter expertise in mathematics, science, or critical foreign languages to serve as adjunct content specialists.

"(c) DURATION OF GRANTS.—The Secretary may award grants under this section for a period of not more than five years.

"(d) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means—

"(1) a local educational agency; or

"(2) a partnership consisting of a local educational agency, serving as a fiscal agent, and a public or private educational organization or business.

"(e) USES OF FUNDS.—An eligible entity that receives a grant under this section is authorized to use such grant to carry out one or both of the following activities:

"(1) To develop the capacity of the eligible entity to identify, recruit, and train individuals with subject matter expertise in mathematics, science, or critical foreign languages who are not employed in the elementary and secondary education system (including individuals in business and government, and individuals who would participate through distance-learning arrangements) to become adjunct content specialists.

"(2) To provide preservice training and on-going professional development to adjunct content specialists.

"(f) APPLICATIONS.—

"(1) APPLICATION REQUIRED.—An eligible entity that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(2) CONTENTS.—An application submitted under paragraph (1) shall include—

"(A) a description of—

"(i) the need for, and expected benefits of using, adjunct content specialists in the schools served by the local educational agency, which may include information on the difficulty the local educational agency faces in recruiting qualified faculty in mathematics, science, and critical foreign language courses;

"(ii) measurable objectives for the activities supported by the grant, including the number of adjunct content specialists the eligible entity intends to place in schools and classrooms, and the gains in academic achievement expected as a result of the addition of such specialists;

"(iii) how the eligible entity will establish criteria for and recruit the most qualified individuals and public or private organizations and businesses to participate in the activities supported by the grant;

"(iv) how the eligible entity will provide preservice training and on-going professional development to adjunct content specialists to ensure that such specialists have the capacity to serve effectively;

"(v) how the eligible entity will use funds received under this section, including how the eligible entity will evaluate the success of the activities supported by the grant; and

"(vi) how the eligible entity will support and continue the activities supported by the grant after the grant has expired, including how such entity will seek support from other sources, such as State and local government and the private sector; and

"(B) an assurance that the use of adjunct content specialists will not result in the displacement or transfer of currently employed teachers nor a reduction in the number of overall teachers in the district.

"(g) PRIORITIES.—In awarding grants under this section, the Secretary shall give priority to eligible entities that demonstrate in the application for such a grant a plan to—

"(1) serve the schools served by the local educational agency that have a large number or percentage of students performing below grade level in mathematics, science, or critical foreign language courses;

"(2) serve local educational agencies that have a large number or percentage of students from low-income families; and

"(3) recruit and train individuals to serve as adjunct content specialists in schools that have an insufficient number of teachers in mathematics, science, or critical foreign languages.

"(h) MATCHING REQUIREMENT.—Each eligible entity that receives a grant under this section shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of such grant (in cash or in kind) to carry out the activities supported by such grant.

"(i) PERFORMANCE REPORT.—Each eligible entity receiving a grant under this section shall prepare and submit to the Secretary a final report on the results of the activities supported by such grant, which shall contain such information as the Secretary may require, including any improvements in student academic achievement as a result of the use of adjunct content specialists.

"(j) EVALUATION.—The Secretary shall evaluate the activities supported by grants under this section, including the impact of such activities on student academic achievement, and shall report the results of such evaluation to the authorizing committees.

"(k) DEFINITION.—In this section, the term 'adjunct content specialist' means an individual who—

"(1) meets the requirements of section 9101(23)(B)(ii) of the Elementary and Secondary Education Act of 1965;

"(2) has demonstrated expertise in mathematics, science, or a critical foreign language, as determined by the local educational agency; and

"(3) is not the primary provider of instructional services to a student, unless the adjunct content specialist is under the direct supervision of a teacher who meets the requirements of section 9101(23) of such Act.

"Subpart 5—Graduate Fellowships to Prepare Faculty in High-Need Areas at Colleges of Education

"SEC. 258. GRADUATE FELLOWSHIPS TO PREPARE FACULTY IN HIGH-NEED AREAS AT COLLEGES OF EDUCATION.

"(a) GRANTS BY SECRETARY.—The Secretary shall make grants to eligible institutions to enable such institutions to make graduate fellowship awards to qualified individuals in accordance with the provisions of this section.

"(b) ELIGIBLE INSTITUTIONS.—In this section, the term 'eligible institution' means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a doctoral degree.

"(c) APPLICATIONS.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(d) TYPES OF FELLOWSHIPS SUPPORTED.—

"(1) IN GENERAL.—An eligible institution that receives a grant under this section shall use the grant funds to provide graduate fellowships to individuals who are preparing for the professorate in order to prepare individuals to become highly qualified elementary school and secondary school mathematics and science teachers, special education teachers, and teachers who provide instruction for limited English proficient students.

"(2) TYPES OF STUDY.—A graduate fellowship provided under this section shall support an individual in pursuing postbaccalaureate study, which leads to a doctoral degree and may include a master's degree as part of such study, related to teacher preparation and pedagogy in one of the following areas:

"(A) Science, technology, engineering, or mathematics, if the individual has completed a master's degree in mathematics or science and is pursuing a doctoral degree in mathematics, science, or education.

"(B) Special education.

"(C) The instruction of limited English proficient students, including postbaccalaureate study in language instruction educational programs.

"(e) FELLOWSHIP TERMS AND CONDITIONS.—

"(1) SELECTION OF FELLOWS.—The Secretary shall ensure that an eligible institution that receives a grant under this section—

"(A) shall provide graduate fellowship awards to individuals who plan to pursue a career in instruction at an institution of higher education that has a teacher preparation program; and

"(B) may not provide a graduate fellowship to an otherwise eligible individual—

"(i) during periods in which such individual is enrolled at an institution of higher education unless such individual is maintaining satisfactory academic progress in, and devoting full-time study or research to, the pursuit of the degree for which the fellowship support was provided; or

"(ii) if the individual is engaged in gainful employment, other than part-time employment related to teaching, research, or a similar activity determined by the institution to be consistent with and supportive of the individuals's progress toward the degree for which the fellowship support was provided.

"(2) AMOUNT OF FELLOWSHIP AWARDS.—

"(A) IN GENERAL.—An eligible institution that receives a grant under this section shall award stipends to individuals who are provided graduate fellowships under this section.

"(B) AWARDS BASED ON NEED.—A stipend provided under this section shall be in an amount equal to the level of support provided by the National Science Foundation graduate fellowships, except that such stipend shall be adjusted as necessary so as not to exceed the fellowship recipient's demonstrated need, as determined by the institution of higher education where the fellowship recipient is enrolled.

"(3) SERVICE REQUIREMENT.—

"(A) TEACHING REQUIRED.—Each individual who receives a graduate fellowship under this section and earns a doctoral degree shall teach for one year at an institution of higher education that has a teacher preparation program for each year of fellowship support received under this section.

"(B) INSTITUTIONAL OBLIGATION.—Each eligible institution that receives a grant under this section shall provide an assurance to the Secretary that the institution has inquired of and determined the decision of each individual who has received a graduate fellowship to, within three years of receiving a doctoral degree, begin employment at an institution of higher education that has a teacher preparation program, as required by this section.

"(C) AGREEMENT REQUIRED.—Prior to receiving an initial graduate fellowship award, and upon the annual renewal of the graduate fellowship award, an individual selected to receive a graduate fellowship under this section shall sign an agreement with the Secretary agreeing to pursue a career in instruction at an institution of higher education that has a teacher preparation program in accordance with subparagraph (A).

"(D) FAILURE TO COMPLY.—If an individual who receives a graduate fellowship award under this section fails to comply with the agreement signed pursuant to subparagraph (C), the sum of the amounts of any graduate fellowship award received by such recipient shall, upon a determination of such a failure, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the fellowship award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

"(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph in accordance with regulations promulgated by the Secretary with respect to the criteria to determine the circumstances under which compliance with such service requirement is inequitable or represents a substantial hardship. The Secretary may waive the service requirement if compliance by the fellowship recipient is determined to be inequitable or represent a substantial hardship—

"(i) because the individual is permanently and totally disabled at the time of the waiver request; or

"(ii) based on documentation presented to the Secretary of substantial economic or personal hardship.

"(f) INSTITUTIONAL SUPPORT FOR FELLOWS.—An eligible institution that receives a grant under this section may reserve not more than ten percent of the grant amount for academic and career transition support for graduate fellowship recipients and for meeting the institutional obligation described in subsection (e)(3)(B).

"(g) RESTRICTION ON USE OF FUNDS.—An eligible institution that receives a grant under this section may not use grant funds for general operational overhead of the institution.

"PART C—GENERAL PROVISIONS

"SEC. 261. LIMITATIONS.

"(a) FEDERAL CONTROL PROHIBITED.—Nothing in this title shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to prohibit private, religious, or home schools from participation in programs or services under this title.

"(b) NO CHANGE IN STATE CONTROL ENCOURAGED OR REQUIRED.—Nothing in this title shall be construed to encourage or require any change in a State's treatment of any private, religious, or home school, whether or not a home school is treated as a private school or home school under State law.

"(c) NATIONAL SYSTEM OF TEACHER CERTIFICATION OR LICENSURE PROHIBITED.—Nothing in this title shall be construed to permit, allow, encourage, or authorize the Secretary to establish or support any national system of teacher certification or licensure.

"(d) RULE OF CONSTRUCTION.—Nothing in this title shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.".

TITLE III—INSTITUTIONAL AID

SEC. 301. PROGRAM PURPOSE.

Section 311 (20 U.S.C. 1057) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "351" and inserting "391"; and

(B) in paragraph (3)(F), by inserting ", including services that will assist in the education of special populations" before the period; and

(2) in subsection (c)—

(A) in paragraph (6), by inserting ", including innovative, customized, instruction courses designed to help retain students and move the students rapidly into core courses and through program completion, which may include remedial education and English language instruction" before the period;

(B) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively;

(C) by inserting after paragraph (6) the following:

"(7) Education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families.";

(D) in paragraph (12) (as redesignated by subparagraph (B)), by striking "distance learning academic instruction capabilities" and inserting "distance education technologies"; and

(E) in the matter preceding subparagraph (A) of paragraph (13) (as redesignated by subparagraph (B)), by striking "subsection (c)" and inserting "subsection (b) and section 391".

SEC. 302. DEFINITIONS; ELIGIBILITY.

Section 312 (20 U.S.C. 1058) is amended—

(1) in subsection (b)(1)(A), by striking "subsection (c) of this section" and inserting "subsection (d)";

(2) in subsection (d)(2), by striking "subdivision" and inserting "paragraph";

(3) by redesignating subsection (g) as subsection (h); and

(4) by inserting after subsection (f) the following:

"(g) LOW-INCOME INDIVIDUAL.—For the purpose of this part, the term 'low-income individual' means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.".

SEC. 303. AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

Section 316 (20 U.S.C. 1059c) is amended—

(1) by striking subsection (b)(3) and inserting the following:

"(3) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' means an institution that—

"(A) qualifies for funding under the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Assistance Act of 1978 (25 U.S.C. 640a note); or

"(B) is cited in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note).";

(2) in subsection (c)(2)—

(A) by striking subparagraph (B) and inserting the following:

"(B) construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities;";

(B) in subparagraph (C), by inserting before the semicolon at the end the following: "or in tribal governance or tribal public policy";

(C) in subparagraph (D), by inserting before the semicolon the following: "and instruction in tribal governance or tribal public policy";

(D) by redesignating subparagraphs (G), (H), (I), (J), (K), and (L) as subparagraphs (H), (I), (J), (K), (L), and (N), respectively;

(E) by inserting after subparagraph (F) the following:

"(G) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families;";

(F) in subparagraph (L) (as redesignated by subparagraph (D)), by striking "and" after the semicolon;

(G) by inserting after subparagraph (L) (as redesignated by subparagraph (D) and amended by subparagraph (F)) the following:

"(M) developing or improving facilities for Internet use or other distance education technologies; and"; and

(H) in subparagraph (N) (as redesignated by subparagraph (D)), by striking "subparagraphs (A) through (K)" and inserting "subparagraphs (A) through (M)"; and

(3) by striking subsection (d) and inserting the following:

"(d) APPLICATION, PLAN, AND ALLOCATION.—

"(1) INSTITUTIONAL ELIGIBILITY.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).

"(2) APPLICATION.—

"(A) IN GENERAL.—A Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(B) STREAMLINED PROCESS.—The Secretary shall establish application requirements in such a manner as to simplify and streamline the process for applying for grants under this section.

"(3) AWARDS AND ALLOCATIONS TO INSTITUTIONS.—

"(A) CONSTRUCTION GRANTS.—

"(i) IN GENERAL.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary may reserve 30 percent for the purpose of awarding one-year grants of not less than $1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

"(ii) PREFERENCE.—In providing grants under clause (i) for any fiscal year, the Secretary shall give preference to eligible institutions that have not received an award under this section for a previous fiscal year.

"(B) ALLOTMENT OF REMAINING FUNDS.—

"(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall distribute the remaining funds appropriated for any fiscal year to each eligible institution as follows:

"(I) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities on a pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities.

"(II) The remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.

"(ii) MINIMUM GRANT.—The amount distributed to a Tribal College or University under clause (i) shall not be less than $500,000.

"(4) SPECIAL RULES.—

"(A) CONCURRENT FUNDING.—No Tribal College or University that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or part A of title V.

"(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.".

SEC. 304. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

Section 317(c)(2) (20 U.S.C. 1059d(c)(2)) is amended—

(1) in subparagraph (G), by striking "and" after the semicolon;

(2) in subparagraph (H), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(I) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families.".

SEC. 305. PREDOMINANTLY BLACK INSTITUTIONS.

(a) IN GENERAL.—Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding at the end the following:

"SEC. 318. PREDOMINANTLY BLACK INSTITUTIONS.

"(a) PURPOSE.—It is the purpose of this section to assist Predominantly Black Institutions in expanding educational opportunity through a program of Federal assistance.

"(b) DEFINITIONS.—In this section:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education that—

"(A) has an enrollment of needy undergraduate students;

"(B) has an average educational and general expenditure that is low, per full-time equivalent undergraduate student, in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions that offer similar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

"(C) has an enrollment of undergraduate students that is not less than 40 percent Black American students;

"(D) is legally authorized to provide, and provides, within the State an educational program for which the institution of higher education awards a baccalaureate degree or, in the case of a junior or community college, an associate's degree;

"(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation; and

"(F) is not receiving assistance under part B or part A of title V.

"(2) ENROLLMENT OF NEEDY STUDENTS.—The term 'enrollment of needy students' means the enrollment at an eligible institution with respect to which not less than 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

"(A) in the second fiscal year preceding the fiscal year for which the determination is made, were Federal Pell Grant recipients for such year;

"(B) come from families that receive benefits under a means-tested Federal benefit program;

"(C) attended a public or nonprofit private secondary school that—

"(i) is in the school district of a local educational agency that was eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 for any year during which the student attended such secondary school; and

"(ii) for the purpose of this paragraph and for such year of attendance, was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children meeting a measure of poverty under section 1113(a)(5) of such Act exceeds 30 percent of the total enrollment of such school; or

"(D) are first-generation college students and a majority of such first-generation college students are low-income individuals.

"(3) FIRST-GENERATION COLLEGE STUDENT.—The term 'first-generation college student' has the meaning given the term in section 402A(h).

"(4) LOW-INCOME INDIVIDUAL.—The term 'low-income individual' has the meaning given such term in section 402A(h).

"(5) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term 'means-tested Federal benefit program' means a program of the Federal Government, other than a program under title IV, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit.

"(6) PREDOMINANTLY BLACK INSTITUTION.—The term 'Predominantly Black Institution' means an institution of higher education, as defined in section 101(a)—

"(A) that is an eligible institution with not less than 1,000 undergraduate students;

"(B) at which not less than 50 percent of the undergraduate students enrolled at the eligible institution are low-income individuals or first-generation college students; and

"(C) at which not less than 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor's or associate's degree that the eligible institution is licensed to award by the State in which the eligible institution is located.

"(7) STATE.—The term 'State' means each of the 50 States and the District of Columbia.

"(c) GRANT AUTHORITY.—

"(1) IN GENERAL.—The Secretary is authorized to award grants, from allotments under subsection (e), to Predominantly Black Institutions to enable the Predominantly Black Institutions to carry out the authorized activities described in subsection (d).

"(2) PRIORITY.—In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in subsections (b)(1)(A) or (b)(1)(C). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(1)(A) shall be twice the level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(1)(C).

"(d) AUTHORIZED ACTIVITIES.—

"(1) REQUIRED ACTIVITIES.—Grant funds provided under this section shall be used—

"(A) to assist the Predominantly Black Institution to plan, develop, undertake, and implement programs to enhance the institution's capacity to serve more low- and middle-income Black American students;

"(B) to expand higher education opportunities for students eligible to participate in programs under title IV by encouraging college preparation and student persistence in secondary school and postsecondary education; and

"(C) to strengthen the financial ability of the Predominantly Black Institution to serve the academic needs of the students described in subparagraphs (A) and (B).

"(2) ADDITIONAL ACTIVITIES.—Grant funds provided under this section shall be used for one or more of the following activities:

"(A) The activities described in paragraphs (1) through (12) of section 311(c).

"(B) Academic instruction in disciplines in which Black Americans are underrepresented.

"(C) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary school or secondary school in the State that shall include, as part of such program, preparation for teacher certification or licensure.

"(D) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

"(E) Other activities proposed in the application submitted pursuant to subsection (f) that—

"(i) contribute to carrying out the purpose of this section; and

"(ii) are approved by the Secretary as part of the review and approval of an application submitted under subsection (f).

"(3) ENDOWMENT FUND.—

"(A) IN GENERAL.—A Predominantly Black Institution may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

"(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), a Predominantly Black Institution shall provide matching funds from non-Federal sources, in an amount equal to or greater than the Federal funds used in accordance with subparagraph (A), for the establishment or increase of the endowment fund.

"(C) COMPARABILITY.—The provisions of part C, regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under subparagraph (A).

"(4) LIMITATION.—Not more than 50 percent of the grant funds provided to a Predominantly Black Institution under this section may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

"(e) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

"(1) FEDERAL PELL GRANT BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-half of that amount as the number of Federal Pell Grant recipients in attendance at such institution at the end of the academic year preceding the beginning of that fiscal year, bears to the total number of Federal Pell Grant recipients at all such institutions at the end of such academic year.

"(2) GRADUATES BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the number of graduates for such academic year at such institution, bears to the total number of graduates for such academic year at all such institutions.

"(3) GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the percentage of graduates from such institution who are admitted to and in attendance at, not later than two years after graduation with an associate's degree or a baccalaureate degree, a baccalaureate degree-granting institution or a graduate or professional school in a degree program in disciplines in which Black American students are underrepresented, bears to the percentage of such graduates for all such institutions.

"(4) MINIMUM ALLOTMENT.—

"(A) IN GENERAL.—Notwithstanding paragraphs (1), (2), and (3), the amount allotted to each Predominantly Black Institution under this section may not be less than $250,000.

"(B) INSUFFICIENT AMOUNT.—If the amounts appropriated to carry out this section for a fiscal year are not sufficient to pay the minimum allotment provided under

subparagraph (A) for the fiscal year, then the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allotment shall be increased on the same basis as the allotment was reduced until the amount allotted equals the minimum allotment required under subparagraph (A).

"(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) for any fiscal year that the Secretary determines will not be needed for such institution for the period for which such allotment is available, shall be available for reallotment to other Predominantly Black Institutions in proportion to the original allotments to such other institutions under this section for such fiscal year. The Secretary shall reallot such amounts from time to time, on such date and during such period as the Secretary determines appropriate.

"(f) APPLICATIONS.—Each Predominantly Black Institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(g) APPLICATION REVIEW PROCESS.—Section 393 shall not apply to applications under this section.

"(h) DURATION AND CARRYOVER.—Any grant funds paid to a Predominantly Black Institution under this section that are not expended or used for the purposes for which the funds were paid within ten years following the date on which the grant was awarded, shall be repaid to the Treasury.

"(i) SPECIAL RULE ON ELIGIBILITY.—No Predominantly Black Institution that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or part A of title V.".

(b) CONFORMING AMENDMENT.—Section 312(d) (20 U.S.C. 1058(d)) is amended by striking "For the purpose" and inserting "Except as provided in section 318(b), for the purpose".

SEC. 306. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding after section 318 (as added by section 305 of this Act) the following:

"SEC. 319. NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTIONS.

"(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Native American-serving, nontribal institutions to enable such institutions to improve and expand their capacity to serve Native Americans and low-income individuals.

"(b) DEFINITIONS.—In this section:

"(1) NATIVE AMERICAN.—The term 'Native American' means an individual who is of a tribe, people, or culture that is indigenous to the United States.

"(2) NATIVE AMERICAN-SERVING, NONTRIBAL INSTITUTION.—The term 'Native American-serving, nontribal institution' means an institution of higher education, as defined in section 101(a), that, at the time of application—

"(A) is an eligible institution under section 312(b);

"(B) has an enrollment of undergraduate students that is not less than 10 percent Native American students; and

"(C) is not a Tribal College or University (as defined in section 316).

"(c) AUTHORIZED ACTIVITIES.—

"(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Native American-serving, nontribal institutions to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Native Americans and low-income individuals.

"(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

"(A) the purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

"(B) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

"(C) support of faculty exchanges, and faculty development and faculty fellowships to assist faculty in attaining advanced degrees in the faculty's field of instruction;

"(D) curriculum development and academic instruction;

"(E) the purchase of library books, periodicals, microfilm, and other educational materials;

"(F) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

"(G) the joint use of facilities such as laboratories and libraries;

"(H) academic tutoring and counseling programs and student support services; and

"(I) education or counseling services designed to improve the financial and economic literacy of students or the students' families.

"(d) APPLICATION PROCESS.—

"(1) INSTITUTIONAL ELIGIBILITY.—A Native American-serving, nontribal institution desiring to receive assistance under this section shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is a Native American-serving, nontribal institution, along with such other information and data as the Secretary may reasonably require.

"(2) APPLICATIONS.—

"(A) AUTHORITY TO SUBMIT APPLICATIONS.—Any institution that is determined by the Secretary to be a Native American-serving, nontribal institution may submit an application for assistance under this section to the Secretary.

"(B) SIMPLIFIED AND STREAMLINED FORMAT.—The Secretary shall, to the extent possible, continue to prescribe a simplified and streamlined format for applications under this section that takes into account the limited number of institutions that are eligible for assistance under this section.

"(C) CONTENT.—An application submitted under subparagraph (A) shall include—

"(i) a five-year plan for improving the assistance provided by the Native American-serving, nontribal institution to Native Americans and low-income individuals; and

"(ii) such other information and assurances as the Secretary may reasonably require.

"(3) SPECIAL RULES.—

"(A) ELIGIBILITY.—No Native American-serving, nontribal institution that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or part A of title V.

"(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

"(C) DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent possible and consistent with the competitive process under which such grants are awarded, ensure maximum and equitable distribution among all eligible institutions.

"(D) MINIMUM GRANT AMOUNT.—The minimum amount of a grant under this section shall be $200,000.".

SEC. 307. ASSISTANCE TO ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS.

Part A of title III (20 U.S.C. 1057 et seq.) is amended by adding after section 319 (as added by section 306 of this Act) the following:

"SEC. 320. ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS.

"(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Asian American and Native American Pacific Islander-serving institutions to enable such institutions to improve and expand their capacity to serve Asian Americans and Native American Pacific Islanders and low-income individuals.

"(b) DEFINITIONS.—In this section:

"(1) ASIAN AMERICAN.—The term 'Asian American' has the meaning given the term 'Asian' in the Office of Management and Budget's Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity as published on October 30, 1997 (62 Fed. Reg. 58789).

"(2) ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTION.—The term 'Asian American and Native American Pacific Islander-serving institution' means an institution of higher education that—

"(A) is an eligible institution under section 312(b); and

"(B) at the time of application, has an enrollment of undergraduate students that is not less than 10 percent students who are Asian American or Native American Pacific Islander.

"(3) NATIVE AMERICAN PACIFIC ISLANDER.—The term 'Native American Pacific Islander' means any descendant of the aboriginal people of any island in the Pacific Ocean that is a territory or possession of the United States.

"(c) AUTHORIZED ACTIVITIES.—

"(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Asian American and Native American Pacific Islander-serving institutions to assist such

institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Asian Americans and Native American Pacific Islanders and low-income individuals.

"(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

"(A) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

"(B) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

"(C) support of faculty exchanges, and faculty development and faculty fellowships to assist in attaining advanced degrees in the faculty's field of instruction;

"(D) curriculum development and academic instruction;

"(E) purchase of library books, periodicals, microfilm, and other educational materials;

"(F) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

"(G) joint use of facilities such as laboratories and libraries;

"(H) academic tutoring and counseling programs and student support services;

"(I) establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education;

"(J) establishing or improving an endowment fund;

"(K) academic instruction in disciplines in which Asian Americans and Native American Pacific Islanders are underrepresented;

"(L) conducting research and data collection for Asian American and Native American Pacific Islander populations and subpopulations;

"(M) establishing partnerships with community-based organizations serving Asian Americans and Native American Pacific Islanders; and

"(N) education or counseling services designed to improve the financial and economic literacy of students or the students' families.

"(d) APPLICATION PROCESS.—

"(1) INSTITUTIONAL ELIGIBILITY.—Each Asian American and Native American Pacific Islander-serving institution desiring to receive assistance under this section shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is an Asian American and Native American Pacific Islander-serving institution as defined in subsection (b), along with such other information and data as the Secretary may reasonably require.

"(2) APPLICATIONS.—Any institution that is determined by the Secretary to be an Asian American and Native American Pacific Islander-serving institution may submit an application for assistance under this section to the Secretary. Such application shall include—

"(A) a five-year plan for improving the assistance provided by the Asian American and Native American Pacific

Islander-serving institution to Asian American and Native American Pacific Islander students and low-income individuals; and

"(B) such other information and assurances as the Secretary may reasonably require.

"(3) SPECIAL RULES.—

"(A) ELIGIBILITY.—No Asian American and Native American Pacific Islander-serving institution that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or title V.

"(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

"(C) DISTRIBUTION.—In awarding grants under this section, the Secretary shall—

"(i) to the extent possible and consistent with the competitive process under which such grants are awarded, ensure maximum and equitable distribution among all eligible institutions; and

"(ii) give priority consideration to institutions for which not less than 10 percent of such institution's Asian American and Native American Pacific Islander students are low-income individuals.".

SEC. 308. PART B DEFINITIONS.

Section 322(4) (20 U.S.C. 1061(4)) is amended by inserting ", in consultation with the Commissioner for Education Statistics" before "and the Commissioner".

SEC. 309. GRANTS TO INSTITUTIONS.

Section 323(a) (20 U.S.C. 1062(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "360(a)(2)" and inserting "399(a)(2)";

(2) by redesignating paragraph (12) as paragraphs (15); and

(3) by inserting after paragraph (11) the following:

"(12) Acquisition of real property in connection with the construction, renovation, or addition to or improvement of campus facilities.

"(13) Education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV.

"(14) Services necessary for the implementation of projects or activities that are described in the grant application and that are approved, in advance, by the Secretary, except that not more than two percent of the grant amount may be used for this purpose.".

SEC. 310. ALLOTMENTS.

(a) MINIMUM ALLOTMENT.—Subsection (d) of section 324 (20 U.S.C. 1063(d)) is amended to read as follows:

"(d) MINIMUM ALLOTMENT.—Notwithstanding subsections (a) through (c), and subject to subsection (h), if the amount of an award under this section for a part B institution, based on the data provided by the part B institution and the formula under subsections (a) through (c), would be—

"(1) an amount that is greater than $250,000 but less than $500,000, the Secretary shall award the part B institution an allotment in the amount of $500,000; and

"(2) an amount that is equal to or less than $250,000, the Secretary shall award the part B institution an allotment in the amount of $250,000.".

(b) CONDITIONS FOR ALLOTMENTS.—Section 324 (20 U.S.C. 1063) is further amended by adding at the end the following new subsection:

"(h) CONDITIONS FOR ALLOTMENTS.—

"(1) STUDENT REQUIREMENTS FOR ALLOTMENT.—Notwithstanding any other provision of this section, a part B institution that would otherwise be eligible for funds under this part shall not receive an allotment under this part for a fiscal year, including the minimum allotment under subsection (d), if the part B institution, in the academic year preceding such fiscal year—

"(A) did not have any enrolled students who were Pell Grant recipients;

"(B) did not graduate any students; or

"(C) where appropriate, did not have any students who, within 5 years of graduation from the part B institution, were admitted to and in attendance at a graduate or professional school in a degree program in disciplines in which Blacks are underrepresented.

"(2) DATA REQUIREMENTS FOR ALLOTMENTS.—Notwithstanding any other provision of this section, a part B institution shall not receive an allotment under this part for a fiscal year, including the minimum allotment under subsection (d), unless the institution provides the Secretary with the data required by the Secretary and for purposes of the formula described in subsections (a) through (c), including—

"(A) the number of Pell Grant recipients enrolled in the part B institution in the academic year preceding such fiscal year;

"(B) the number of students who earned an associate or baccalaureate degree from the part B institution in the academic year preceding such fiscal year; and

"(C) where appropriate, the percentage of students who, within 5 years of graduation from the part B institution, were admitted to and in attendance at a graduate or professional school in a degree program in disciplines in which Blacks are underrepresented in the academic year preceding such fiscal year.".

SEC. 311. PROFESSIONAL OR GRADUATE INSTITUTIONS.

(a) DURATION OF GRANT.—Section 326(b) (20 U.S.C. 1063b(b)) is amended by adding at the end the following: "Any funds awarded for such five-year grant period that are obligated during such five-year period may be expended during the 10-year period beginning on the first day of such five-year period.".

(b) AUTHORIZED ACTIVITIES.—Section 326(c) (20 U.S.C. 1063b(c)) is amended—

(1) in paragraph (5), by striking "establish or improve" and inserting "establishing or improving";

(2) in paragraph (6)—

(A) by striking "assist" and inserting "assisting"; and

(B) by striking "and" after the semicolon;

(3) by striking the period at the end of paragraph (7) and inserting a semicolon; and

(4) by adding at the end the following:

"(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or addition to or improvement of campus facilities;

"(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

"(10) services necessary for the implementation of projects or activities that are described in the grant application and that are approved, in advance, by the Secretary, except that not more than two percent of the grant amount may be used for this purpose;

"(11) tutoring, counseling, and student service programs designed to improve academic success; and

"(12) other activities proposed in the application submitted under subsection (d) that—

"(A) contribute to carrying out the purposes of this part; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.".

(c) ELIGIBILITY.—

(1) IN GENERAL.—Section 326(e)(1) (20 U.S.C. 1063b(e)(1)) is amended—

(A) in the matter preceding subparagraph (A), by inserting a colon after "the following";

(B) in subparagraph (Q), by striking "and" at the end;

(C) in subparagraph (R), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(S) Alabama State University qualified graduate programs;

"(T) Prairie View A&M University qualified graduate programs;

"(U) Delaware State University qualified graduate programs;

"(V) Langston University qualified graduate programs;

"(W) Bowie State University qualified graduate programs; and

"(X) University of the District of Columbia David A. Clarke School of Law.".

(2) CONFORMING AMENDMENT.—Section 326(e)(3) (20 U.S.C. 1063b(e)(3)) is amended—

(A) by striking "1998" and inserting "2008"; and

(B) by striking "(Q) and (R)" and inserting "(S) through (X)".

(3) ADDITIONAL ELIGIBILITY CHANGES.—Section 326(e)(2)(A) (20 U.S.C. 1063b(e)(2)(A)) is amended—

(A) by inserting "in law or" after "instruction"; and

(B) by striking "mathematics, or" and inserting "mathematics, psychometrics, or".

(4) ONE GRANT PER INSTITUTION.—Section 326(e)(4) (20 U.S.C. 1063b(e)(4)) is amended by striking "or university system".

(d) FUNDING RULE.—Section 326(f) (20 U.S.C. 1063b(f)) is amended—

(1) in paragraph (1)—

(A) by striking "$26,600,000" and inserting "$56,900,000"; and

(B) by striking "(P)" and inserting "(R)";

(2) in paragraph (2)—

(A) by striking "$26,600,000, but not in excess of $28,600,000" and inserting "$56,900,000, but not in excess of $62,900,000"; and

(B) by striking "subparagraphs (Q) and (R)" and inserting "subparagraphs (S) through (X)"; and

(3) in the matter preceding subparagraph (A) of paragraph (3)—

(A) by striking "$28,600,000" and inserting "$62,900,000"; and

(B) by striking "(R)" and inserting "(X)".

(e) HOLD HARMLESS RULE.—Section 326(g) (20 U.S.C. 1063(g)) is amended by striking "1998" each place it appears and inserting "2008".

(f) INTERACTION WITH OTHER GRANT PROGRAMS.—Section 326 (as amended by this section) (20 U.S.C. 1063) is further amended by adding at the end the following:

"(h) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 512, 723, or 724 for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.".

SEC. 312. UNEXPENDED FUNDS.

Section 327(b) (20 U.S.C. 1063c(b)) is amended to read as follows:

"(b) USE OF UNEXPENDED FUNDS.—Any funds paid to an institution and not expended or used for the purposes for which the funds were paid during the five-year period following the date of the initial grant award, may be carried over and expended during the succeeding five-year period, if such funds were obligated for a purpose for which the funds were paid during the five-year period following the date of the initial grant award.".

SEC. 313. ENDOWMENT CHALLENGE GRANTS.

(a) AMOUNTS.—Section 331(b) (20 U.S.C. 1065(b)) is amended—

(1) in paragraph (2)(B)(i), by striking "$500,000" and inserting "$1,000,000"; and

(2) in paragraph (5), by striking "$50,000" and inserting "$100,000".

(b) TECHNICAL ASSISTANCE.—Section 331 (20 U.S.C. 1065) is further amended by adding at the end the following:

"(i) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this section.".

SEC. 314. HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING.

(a) DEFINITIONS.—Section 342 (20 U.S.C. 1066a) is amended—

(1) in paragraph (5)(G), by striking "by a nationally recognized accrediting agency or association" and inserting "by an

accrediting agency or association recognized by the Secretary under subpart 2 of part H of title IV"; and

(2) in paragraph (8), by inserting "capital project" after "issuing taxable".

(b) FEDERAL INSURANCE FOR BONDS.—Section 343(b) (20 U.S.C. 1066b(b)) is amended—

(1) in paragraph (8)(B)(ii)—

(A) by striking "10" and inserting "5"; and

(B) by inserting "within 120 days" after "loan proceeds";

(2) in paragraph (10), by striking "and" after the semicolon;

(3) in paragraph (11), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(12) limit loan collateralization, with respect to any loan made under this part, to 100 percent of the loan amount, except as otherwise required by the Secretary.".

(c) LIMITATIONS ON FEDERAL INSURANCE FOR BONDS ISSUED BY THE DESIGNATED BONDING AUTHORITY.—Section 344(a) (20 U.S.C. 1066c(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "$375,000,000" and inserting "$1,100,000,000";

(2) in paragraph (1), by striking "$250,000,000" and inserting "$733,333,333"; and

(3) in paragraph (2), by striking "$125,000,000" and inserting "$366,666,667".

(d) AUTHORITY OF THE SECRETARY.—Section 345 (20 U.S.C. 1066d) is amended—

(1) in paragraph (1), by striking "enactment of the Higher Education Amendments of 1992," and inserting "the date of enactment of the Higher Education Opportunity Act,";

(2) by redesignating paragraphs (2) through (7) as paragraphs (4) through (9), respectively;

(3) by inserting after paragraph (1) the following:

"(2) shall ensure that—

"(A) the selection process for the designated bonding authority is conducted on a competitive basis; and

"(B) the evaluation and selection process is transparent;

"(3) shall—

"(A) review the performance of the designated bonding authority after the third year of the insurance agreement; and

"(B) following the review described in subparagraph (A), implement a revised competitive selection process, if determined necessary by the Secretary in consultation with the Advisory Board established pursuant to section 347;";

(4) in paragraph (8) (as redesignated by paragraph (2)), by striking "and" after the semicolon;

(5) in paragraph (9) (as redesignated by paragraph (2)), by striking the period at the end and inserting "; and"; and

(6) by adding at the end the following:

"(10) not later than 120 days after the date of enactment of the Higher Education Opportunity Act, shall submit to the authorizing committees a report on the progress of the Department in implementing the recommendations made by the Government Accountability Office in October 2006 for

improving the Historically Black College and Universities Capital Financing Program.".

(e) HBCU CAPITAL FINANCING ADVISORY BOARD.—Section 347 (20 U.S.C. 1066f) is amended—

(1) in subsection (b)(1)—

(A) by striking out "9 members" and inserting "11 members";

(B) in subparagraph (C), by striking "Two" and inserting "Three"; and

(C) by adding at the end the following:

"(G) The president of the Thurgood Marshall College Fund, or the designee of the president."; and

(2) by adding at the end the following:

"(c) ADDITIONAL RECOMMENDATIONS FROM ADVISORY BOARD.—

"(1) IN GENERAL.—In addition to the responsibilities of the Advisory Board described in subsection (a), the Advisory Board shall advise the Secretary and the authorizing committees regarding—

"(A) the fiscal status and strategic financial condition of not less than ten historically Black colleges and universities that have—

"(i) obtained construction financing through the program under this part and seek additional financing or refinancing under such program; or

"(ii) applied for construction financing through the program under this part but have not received financing under such program; and

"(B) the feasibility of reducing borrowing costs associated with the program under this part, including reducing interest rates.

"(2) REPORT.—Not later than six months after the date of enactment of the Higher Education Opportunity Act, the Advisory Board shall prepare and submit a report to the authorizing committees regarding the historically Black colleges and universities described in paragraph (1)(A) that includes administrative and legislative recommendations for addressing the issues related to construction financing facing such historically Black colleges and universities.".

SEC. 315. PROGRAMS IN STEM FIELDS.

(a) YES PARTNERSHIPS; ENTRY INTO STEM FIELDS.—Part E of title III (20 U.S.C. 1067 et seq.) is amended—

(1) by redesignating subpart 2 as subpart 3; and

(2) by inserting after subpart 1 the following new subpart:

"Subpart 2—Programs in STEM Fields

"SEC. 355. YES PARTNERSHIPS GRANT PROGRAM.

"(a) GRANT PROGRAM AUTHORIZED.—Subject to the availability of appropriations to carry out this subpart, the Secretary shall make grants to eligible partnerships (as described in subsection (f)) to support the engagement of underrepresented minority youth and youth who are low-income individuals (as such term is defined in section 302) in science, technology, engineering, and mathematics through outreach and hands-on, experiential-based learning projects that encourage students in kindergarten through grade 12 who are underrepresented minority youth or low-income individuals to

pursue careers in science, technology, engineering, and mathematics.

"(b) MINIMUM GRANT AMOUNT.—A grant awarded to a partnership under this subpart shall be for an amount that is not less than $500,000.

"(c) DURATION.—A grant awarded under this subpart shall be for a period of five years.

"(d) NON-FEDERAL MATCHING SHARE REQUIRED.—A partnership receiving a grant under this subpart shall provide, from non-Federal sources, in cash or in-kind, an amount equal to 50 percent of the costs of the project supported by such grant.

"(e) DISTRIBUTION OF GRANTS.—In awarding grants under this subpart, the Secretary shall ensure that, to the maximum extent practicable, the projects funded under this subpart are located in diverse geographic regions of the United States.

"(f) ELIGIBLE PARTNERSHIPS.—Notwithstanding the general eligibility provision in section 361, eligibility to receive grants under this subpart is limited to partnerships described in paragraph (5) of such section.

"SEC. 356. PROMOTION OF ENTRY INTO STEM FIELDS.

"(a) AUTHORITY TO CONTRACT, SUBJECT TO APPROPRIATIONS.—The Secretary is authorized to enter into a contract with a firm with a demonstrated record of success in advertising to implement a campaign to expand the population of qualified individuals in science, technology, engineering, and mathematics fields (referred to in this section as 'STEM fields') by encouraging young Americans to enter such fields.

"(b) DESIGN OF CAMPAIGN.—The campaign under this section shall be designed to enhance the image of education and professions in the STEM fields and promote participation in the STEM fields, and may include—

"(1) monitoring trends in youths' attitudes toward pursuing education and professions in the STEM fields and their propensity toward entering the STEM fields;

"(2) determining what factors contribute to encouraging and discouraging Americans from pursuing study in STEM fields and entering the STEM fields professionally;

"(3) determining what specific factors limit the participation of groups currently underrepresented in STEM fields, including Latinos, African-Americans, and women; and

"(4) drawing from the market research performed under this section and implementing an advertising campaign to encourage young Americans to take up studies in STEM fields, beginning at an early age.

"(c) REQUIRED COMPONENTS.—The campaign under this section shall—

"(1) include components that focus tailored messages on appropriate age groups, starting with elementary school students; and

"(2) link participation in the STEM fields to the concept of service to one's country, so that young people will be encouraged to enter the STEM fields in order fulfill the obligation to be of service to their country.

"(d) PRIORITY.—The campaign under this section shall hold as a high priority making specific appeals to Hispanic Americans, African Americans, Native Americans, students with disabilities,

and women, who are currently underrepresented in the STEM fields, in order to increase their numbers in the STEM fields, and shall tailor recruitment efforts to each specific group.

"(e) USE OF VARIETY OF MEDIA.—The campaign under this section shall make use of a variety of media, with an emphasis on television advertising, to reach its intended audience.

"(f) TEACHING.—The campaign under this section shall include a narrowly focused effort to attract current professionals in the STEM fields, through advertising in mediums likely to reach that specific group, into teaching in a STEM field in elementary schools and secondary schools.

"SEC. 357. EVALUATION AND ACCOUNTABILITY PLAN.

"The Secretary shall develop an evaluation and accountability plan for projects funded under this subpart. Such plan shall include, if the Secretary determines that it is practical, an objective measure of the impact of such projects, such as a measure of whether underrepresented minority student enrollment in courses related to science, technology, engineering, and mathematics increases at the secondary and postsecondary levels.".

(b) ELIGIBILITY FOR GRANTS.—Section 361 (20 U.S.C. 1067g) is amended—

(1) by striking "or" at the end of paragraph (3)(B);

(2) in paragraph (4)—

(A) in subparagraph (A), by striking "institutions of higher education" and inserting "public and private non-profit institutions of higher education";

(B) in subparagraph (C), by inserting before the semicolon the following: ", the Department of Defense, or the National Institutes of Health";

(C) by striking subparagraph (D) and inserting the following:

"(D) relevant offices of the National Aeronautics and Space Administration, National Oceanic and Atmospheric Administration, National Science Foundation, and National Institute of Standards and Technology;";

(D) by striking the period at the end of subparagraph (E) and inserting "; or"; and

(E) by adding at the end the following:

"(F) institutions of higher education that have State-sponsored centers for research in science, technology, engineering, and mathematics; or"; and

(3) by adding at the end the following:

"(5) only with respect to grants under subpart 2, partnerships of organizations, the membership of which shall include—

"(A) at least one institution of higher education eligible for assistance under this title or title V;

"(B) at least one high-need local educational agency (as defined in section 200); and

"(C) at least two community organizations or entities, such as businesses, professional associations, community-based organizations, philanthropic organizations, or State agencies.".

SEC. 316. INVESTING IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS.

(a) REDESIGNATION AND RELOCATION.—The Act (20 U.S.C. 1001 et seq.) is further amended—

(1) by redesignating part F of title III as part G of title III;

(2) by redesignating part J of title IV (as added by section 802 of the College Cost Reduction and Access Act) as part F of title III, and moving such part so that such part follows part E of title III; and

(3) by redesignating section 499A (as added by section 802 of such Act) as section 371.

(b) CONFORMING AMENDMENTS.—Section 371 (as redesignated by subsection (a)(3)) is amended—

(1) in subsection (b)(2)(C)(i), by striking "title III" each place the term appears and inserting "this title"; and

(2) in subsection (c)(9)(F), by striking "title III" and inserting "this title".

(c) AVAILABILITY OF FUNDS.—Paragraph (1) of section 371(b) (as redesignated by subsection (a)(3)) is amended to read as follows:

"(1) IN GENERAL.—

"(A) PROVISION OF FUNDS.—There shall be available to the Secretary to carry out this section, from funds in the Treasury not otherwise appropriated, $255,000,000 for each of the fiscal years 2008 and 2009. The authority to award grants under this section shall expire at the end of fiscal year 2009.

"(B) AVAILABILITY.—Funds made available under subparagraph (A) for a fiscal year shall remain available for the next succeeding fiscal year.".

SEC. 317. TECHNICAL ASSISTANCE.

Section 391 (20 U.S.C. 1068) is amended by adding at the end the following:

"(e) TECHNICAL ASSISTANCE.—The Secretary, directly or by grant or contract, may provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a grant, under this title.".

SEC. 318. WAIVER AUTHORITY.

Section 392 (20 U.S.C. 1068a) is amended by adding at the end the following:

"(c) WAIVER AUTHORITY WITH RESPECT TO INSTITUTIONS LOCATED IN AN AREA AFFECTED BY A GULF HURRICANE DISASTER.—

"(1) WAIVER AUTHORITY.—Notwithstanding any other provision of law, unless enacted with specific reference to this section, for any affected institution that was receiving assistance under this title at the time of a Gulf hurricane disaster, the Secretary shall, for each of the fiscal years 2009 through 2011 (and may, for each of the fiscal years 2012 and 2013)—

"(A) waive—

"(i) the eligibility data requirements set forth in section 391(d);

"(ii) the wait-out period set forth in section 313(d);

"(iii) the allotment requirements under section 324; and

"(iv) the use of the funding formula developed pursuant to section 326(f)(3);

"(B) waive or modify any statutory or regulatory provision to ensure that affected institutions that were receiving assistance under this title at the time of a Gulf hurricane disaster are not adversely affected by any formula calculation for fiscal year 2009 or for any of the four succeeding fiscal years, as necessary; and

"(C) make available to each affected institution an amount that is not less than the amount made available to such institution under this title for fiscal year 2006, except that for any fiscal year for which the funds appropriated for payments under this title are less than the appropriated level for fiscal year 2006, the amount made available to such institutions shall be ratably reduced among the institutions receiving funds under this title.

"(2) DEFINITIONS.—In this subsection:

"(A) AFFECTED INSTITUTION.—The term 'affected institution' means an institution of higher education that—

"(i) is—

"(I) a part A institution (which term shall have the meaning given the term 'eligible institution' under section 312(b)); or

"(II) a part B institution, as such term is defined in section 322(2), or as identified in section 326(e);

"(ii) is located in an area affected by a Gulf hurricane disaster; and

"(iii) is able to demonstrate that, as a result of the impact of a Gulf hurricane disaster, the institution—

"(I) incurred physical damage;

"(II) has pursued collateral source compensation from insurance, the Federal Emergency Management Agency, and the Small Business Administration, as appropriate; and

"(III) was not able to fully reopen in existing facilities or to fully reopen to the pre-hurricane enrollment levels during the 30-day period beginning on August 29, 2005.

"(B) AREA AFFECTED BY A GULF HURRICANE DISASTER; GULF HURRICANE DISASTER.—The terms 'area affected by a Gulf hurricane disaster' and 'Gulf hurricane disaster' have the meanings given such terms in section 209 of the Higher Education Hurricane Relief Act of 2005 (Public Law 109–148, 119 Stat. 2809).".

SEC. 319. AUTHORIZATION OF APPROPRIATIONS.

Section 399(a) (20 U.S.C. 1068h(a)) is amended to read as follows:

"(a) AUTHORIZATIONS.—

"(1) PART A.—(A) There are authorized to be appropriated to carry out part A (other than sections 316 through 320), $135,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 316, $30,000,000 for fiscal year 2009, and such sums

as may be necessary for each of the five succeeding fiscal years.

"(C) There are authorized to be appropriated to carry out section 317, $15,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(D) There are authorized to be appropriated to carry out section 318, $75,000,000 for fiscal year 2009 and each of the five succeeding fiscal years.

"(E) There are authorized to be appropriated to carry out section 319, $25,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(F) There are authorized to be appropriated to carry out section 320, $30,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326), $375,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 326, $125,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(3) PART C.—There are authorized to be appropriated to carry out part C, $10,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(9), but including section 347), $185,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 345(9) such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"(5) PART E.—(A) There are authorized to be appropriated to carry out subpart 1 of part E, $12,000,000 for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out subpart 2 of part E, such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 320. TECHNICAL CORRECTIONS.

Title III (20 U.S.C. 1051 et seq.) is further amended—

(1) in section 342(5) (20 U.S.C. 1066a(5))—

(A) in the matter preceding subparagraph (A), by inserting a comma after "344(b)"; and

(B) in subparagraph (C), by striking "equipment technology,," and inserting "equipment, technology,";

(2) in section 343(e) (20 U.S.C. 1066b(e)), by inserting "SALE OF QUALIFIED BONDS.—" before "Notwithstanding";

(3) in the matter preceding clause (i) of section 365(9)(A) (20 U.S.C. 1067k(9)(A)), by striking "support" and inserting "supports";

(4) in section 391(b)(7)(E) (20 U.S.C. 1068(b)(7)(E)), by striking "subparagraph (E)" and inserting "subparagraph (D)";

(5) in the matter preceding subparagraph (A) of section 392(b)(2) (20 U.S.C. 1068a(b)(2)), by striking "eligible institutions under part A institutions" and inserting "eligible institutions under part A"; and

(6) in the matter preceding paragraph (1) of section 396 (20 U.S.C. 1068e), by striking "360" and inserting "399".

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

SEC. 401. FEDERAL PELL GRANTS.

(a) AUTHORIZED MAXIMUMS.—

(1) AMENDMENTS.—Section 401(b) (20 U.S.C. 1070a(b)) is amended—

(A) by amending paragraph (2)(A) to read as follows:

"(2)(A) The amount of the Federal Pell Grant for a student eligible under this part shall be—

"(i) $6,000 for academic year 2009–2010;

"(ii) $6,400 for academic year 2010–2011;

"(iii) $6,800 for academic year 2011–2012;

"(iv) $7,200 for academic year 2012–2013;

"(v) $7,600 for academic year 2013–2014; and

"(vi) $8,000 for academic year 2014–2015,

less an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.";

(B) by designating the paragraphs following paragraph (2), in the order in which such paragraphs appear, as paragraphs (3) through (8);

(C) in paragraph (4) (as designated by subparagraph (B)), by striking "$400, except" and all that follows through the period and inserting "ten percent of the maximum basic grant level specified in the appropriate appropriation Act for such academic year, except that a student who is eligible for a Federal Pell Grant in an amount that is equal to or greater than five percent of such level but less than ten percent of such level shall be awarded a Federal Pell grant in the amount of ten percent of such level.";

(D) by striking paragraph (5) (as designated by subparagraph (B)) and inserting the following:

"(5)(A) The Secretary shall award a student not more than two Federal Pell Grants during a single award year to permit such student to accelerate the student's progress toward a degree or certificate if the student is enrolled—

"(i) on at least a half-time basis for a period of more than one academic year, or more than two semesters or an equivalent period of time, during a single award year; and

"(ii) in a program of instruction at an institution of higher education for which the institution awards an associate or baccalaureate degree or a certificate.

"(B) In the case of a student receiving more than one Federal Pell Grant in a single award year under subparagraph (A), the total amount of Federal Pell Grants awarded to such student for the award year may exceed the maximum basic grant level specified in the appropriate appropriations Act for such award year.";

(E) in paragraph (7) (as designated by subparagraph (B)), by inserting before the period the following: "or who is subject to an involuntary civil commitment upon completion of a period of incarceration for a forcible or nonforcible sexual offense (as determined in accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program)"; and

(F) in paragraph (8) (as designated by subparagraph (B))—

(i) by amending subparagraph (D) to read as follows:

"(D) PROGRAM REQUIREMENTS AND OPERATIONS OTHERWISE UNAFFECTED.—Except as provided in subparagraphs (B) and (C), nothing in this paragraph shall be construed to alter the requirements and operations of the Federal Pell Grant Program as authorized under this section, or authorize the imposition of additional requirements or operations for the determination and allocation of Federal Pell Grants under this section."; and

(ii) by amending subparagraph (F) to read as follows:

"(F) AVAILABILITY OF FUNDS.—The amounts made available by subparagraph (A) for any fiscal year shall be available beginning on October 1 of that fiscal year, and shall remain available through September 30 of the succeeding fiscal year.".

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by paragraph (1) shall take effect on July 1, 2009.

(B) SPECIAL RULE.—The amendments made by subparagraph (F) of paragraph (1) shall take effect on the date of enactment of this Act.

(b) MAXIMUM DURATION OF ELIGIBILITY.—Section 401(c) (20 U.S.C. 1070a(c)) is amended by adding at the end the following new paragraph:

"(5) The period during which a student may receive Federal Pell Grants shall not exceed 18 semesters, or the equivalent of 18 semesters, as determined by the Secretary by regulation. Such regulations shall provide, with respect to a student who received a Federal Pell Grant for a term but was enrolled at a fraction of full-time, that only that same fraction of such semester or equivalent shall count towards such duration limits. The provisions of this paragraph shall apply only to a student who receives a Federal Pell Grant for the first time on or after July 1, 2008.".

(c) CALCULATION OF FEDERAL PELL GRANT ELIGIBILITY.—

(1) AMENDMENT.—Section 401(f) (20 U.S.C. 1070a(f)) is amended by adding at the end the following new paragraph:

"(4)(A) Notwithstanding paragraph (1) or any other provision of this section, the expected family contribution of each student described in subparagraph (B) shall be deemed to be zero for the

period during which each such student is eligible to receive a Federal Pell Grant under subsection (c).

"(B) Subparagraph (A) shall apply to any student at an institution of higher education—

"(i) whose parent or guardian was a member of the Armed Forces of the United States who died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and

"(ii) who was less than 24 years of age, or was enrolled as a full-time or part-time student at an institution of higher education, as of the time of the parent or guardian's death.

"(C) Notwithstanding any other provision of law, the Secretary of Veterans Affairs and the Secretary of Defense, as appropriate, shall provide the Secretary of Education with information necessary to determine which students meet the requirements of subparagraph (B).".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on July 1, 2009.

SEC. 402. ACADEMIC COMPETITIVENESS GRANTS.

(a) AMENDMENTS.—

(1) IN GENERAL.—Section 401A (as amended by Public Law 110–227) (20 U.S.C. 1070a–1) is amended—

(A) in subsection (c)(3)—

(i) in subparagraph (A), by striking clause (i) and inserting the following:

"(i)(I) successfully completes, after January 1, 2006, but before July 1, 2009, a rigorous secondary school program of study established by a State or local educational agency and recognized as such by the Secretary; or

"(II) successfully completes, on or after July 1, 2009, a rigorous secondary school program of study that prepares students for college—

"(aa)(AA) that is recognized as such by the official designated for such recognition consistent with State law; and

"(BB) about which the designated official has reported to the Secretary, at such time as the Secretary may reasonably require, in order to assist financial aid administrators to determine that the student is an eligible student under this section; or

"(bb) that is recognized as such by the Secretary in regulations promulgated to carry out this section, as such regulations were in effect on May 6, 2008; and"; and

(ii) in subparagraph (B), by striking clause (i) and inserting the following:

"(i)(I) successfully completes, after January 1, 2005, but before July 1, 2009, a rigorous secondary school program of study established by a State or local educational agency and recognized as such by the Secretary; or

"(II) successfully completes, on or after July 1, 2009, a rigorous secondary school program of study that prepares students for college—

"(aa)(AA) that is recognized as such by the official designated for such recognition consistent with State law; and

"(BB) about which the designated official has reported to the Secretary, at such time as the Secretary may reasonably require, in order to assist financial aid administrators to determine that the student is an eligible student under this section; or

"(bb) that is recognized as such by the Secretary in regulations promulgated to carry out this section, as such regulations were in effect on May 6, 2008; and"; and

(B) by amending subsection (e)(2) to read as follows:

"(2) AVAILABILITY OF FUNDS.—The amounts made available by paragraph (1) for any fiscal year shall be available from October 1 of that fiscal year and remain available through September 30 of the succeeding fiscal year.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1)(B) shall take effect on October 1, 2008.

(3) EFFECTIVE DATE AMENDMENT.—Section 10(b) of the Ensuring Continued Access to Student Loans Act of 2008 is amended by striking "January 1" and inserting "July 1".

(b) WAIVER OF MASTER CALENDAR AND NEGOTIATED RULEMAKING REQUIREMENTS.—Sections 482 and 492 of the Higher Education Act of 1965 (20 U.S.C. 1089, 1098a) shall not apply to the amendments made by subsection (a), or to any regulations promulgated under those amendments.

(c) RELATED AMENDMENT TO THE ENSURING CONTINUED ACCESS TO STUDENT LOANS ACT OF 2008.—

(1) AMENDMENT.—Section 11 of the Ensuring Continued Access to Student Loans Act of 2008 is amended by striking "sections 2 through 9 of".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if enacted as part of the Ensuring Continued Access to Student Loans Act of 2008.

SEC. 403. FEDERAL TRIO PROGRAMS.

(a) PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.—Section 402A (20 U.S.C. 1070a–11) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting "including community-based organizations with experience in serving disadvantaged youth" after "private agencies and organizations"; and

(ii) by striking "in exceptional circumstances" and inserting ", as appropriate to the purposes of the program";

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "4" and inserting "5"; and

(ii) by amending subparagraph (A) to read as follows:

"(A) in order to synchronize the awarding of grants for programs under this chapter, the Secretary may, under such terms as are consistent with the purposes of this

chapter, provide a one-time, limited extension of the length of such an award;"; and

(C) by striking paragraph (3) and inserting the following:

"(3) MINIMUM GRANTS.—Unless the institution or agency requests a smaller amount, an individual grant authorized under this chapter shall be awarded in an amount that is not less than $200,000, except that an individual grant authorized under section 402G shall be awarded in an amount that is not less than $170,000.";

(2) in subsection (c)—

(A) in paragraph (2)—

(i) by striking "(2) PRIOR EXPERIENCE.—In" and inserting the following:

"(2) CONSIDERATIONS.—

"(A) PRIOR EXPERIENCE.—In";

(ii) by striking "service delivery" and inserting "high quality service delivery, as determined under subsection (f),"; and

(iii) by adding at the end the following new subparagraph:

"(B) PARTICIPANT NEED.—In making grants under this chapter, the Secretary shall consider the number, percentages, and needs of eligible participants in the area, institution of higher education, or secondary school to be served to aid such participants in preparing for, enrolling in, or succeeding in postsecondary education, as appropriate to the particular program for which the eligible entity is applying.";

(B) in paragraph (3)(B), by striking "is not required to" and inserting "shall not";

(C) in paragraph (5), by striking "campuses" and inserting "different campuses";

(D) in paragraph (6), by adding at the end the following new sentence: "The Secretary shall, as appropriate, require each applicant for funds under the programs authorized by this chapter to identify and make available services under such program, including mentoring, tutoring, and other services provided by such program, to foster care youth (including youth in foster care and youth who have left foster care after reaching age 13) or to homeless children and youths as defined in section 725 of the McKinney-Vento Homeless Assistance Act."; and

(E) by adding at the end the following:

"(8) REVIEW AND NOTIFICATION BY THE SECRETARY.—

"(A) GUIDANCE.—Not later than 180 days after the date of enactment of the Higher Education Opportunity Act, the Secretary shall issue nonregulatory guidance regarding the rights and responsibilities of applicants with respect to the application and evaluation process for programs and projects assisted under this chapter, including applicant access to peer review comments. The guidance shall describe the procedures for the submission, processing, and scoring of applications for grants under this chapter, including—

"(i) the responsibility of applicants to submit materials in a timely manner and in accordance with the

processes established by the Secretary under the authority of the General Education Provisions Act;

"(ii) steps the Secretary will take to ensure that the materials submitted by applicants are processed in a proper and timely manner;

"(iii) steps the Secretary will take to ensure that prior experience points for high quality service delivery are awarded in an accurate and transparent manner;

"(iv) steps the Secretary will take to ensure the quality and integrity of the peer review process, including assurances that peer reviewers will consider applications for grants under this chapter in a thorough and complete manner consistent with applicable Federal law; and

"(v) steps the Secretary will take to ensure that the final score of an application, including prior experience points for high quality service delivery and points awarded through the peer review process, is determined in an accurate and transparent manner.

"(B) UPDATED GUIDANCE.—Not later than 45 days before the date of the commencement of each competition for a grant under this chapter that is held after the expiration of the 180-day period described in subparagraph (A), the Secretary shall update and publish the guidance described in such subparagraph.

"(C) REVIEW.—

"(i) IN GENERAL.—With respect to any competition for a grant under this chapter, an applicant may request a review by the Secretary if the applicant—

"(I) has evidence of a specific technical, administrative, or scoring error made by the Department, an agent of the Department, or a peer reviewer, with respect to the scoring or processing of a submitted application; and

"(II) has otherwise met all of the requirements for submission of the application.

"(ii) TECHNICAL OR ADMINISTRATIVE ERROR.—In the case of evidence of a technical or administrative error listed in clause (i)(I), the Secretary shall review such evidence and provide a timely response to the applicant. If the Secretary determines that a technical or administrative error was made by the Department or an agent of the Department, the application of the applicant shall be reconsidered in the peer review process for the applicable grant competition.

"(iii) SCORING ERROR.—In the case of evidence of a scoring error listed in clause (i)(I), when the error relates to either prior experience points for high quality service delivery or to the final score of an application, the Secretary shall—

"(I) review such evidence and provide a timely response to the applicant; and

"(II) if the Secretary determines that a scoring error was made by the Department or a peer reviewer, adjust the prior experience points or final score of the application appropriately and quickly,

so as not to interfere with the timely awarding of grants for the applicable grant competition.

"(iv) ERROR IN PEER REVIEW PROCESS.—

"(I) REFERRAL TO SECONDARY REVIEW.—In the case of a peer review process error listed in clause (i)(I), if the Secretary determines that points were withheld for criteria not required in Federal statute, regulation, or guidance governing a program assisted under this chapter or the application for a grant for such program, or determines that information pertaining to selection criteria was wrongly determined missing from an application by a peer reviewer, then the Secretary shall refer the application to a secondary review panel.

"(II) TIMELY REVIEW; REPLACEMENT SCORE.—The secondary review panel described in subclause (I) shall conduct a secondary review in a timely fashion, and the score resulting from the secondary review shall replace the score from the initial peer review.

"(III) COMPOSITION OF SECONDARY REVIEW PANEL.—The secondary review panel shall be composed of reviewers each of whom—

"(aa) did not review the application in the original peer review;

"(bb) is a member of the cohort of peer reviewers for the grant program that is the subject of such secondary review; and

"(cc) to extent practicable, has conducted peer reviews in not less than two previous competitions for the grant program that is the subject of such secondary review.

"(IV) FINAL SCORE.—The final peer review score of an application subject to a secondary review under this clause shall be adjusted appropriately and quickly using the score awarded by the secondary review panel, so as not to interfere with the timely awarding of grants for the applicable grant competition.

"(V) QUALIFICATION FOR SECONDARY REVIEW.—To qualify for a secondary review under this clause, an applicant shall have evidence of a scoring error and demonstrate that—

"(aa) points were withheld for criteria not required in statute, regulation, or guidance governing the Federal TRIO programs or the application for a grant for such programs; or

"(bb) information pertaining to selection criteria was wrongly determined to be missing from the application.

"(v) FINALITY.—

"(I) IN GENERAL.—A determination by the Secretary under clause (i), (ii), or (iii) shall not be reviewable by any officer or employee of the Department.

"(II) SCORING.—The score awarded by a secondary review panel under clause (iv) shall not

be reviewable by any officer or employee of the Department other than the Secretary.

"(vi) FUNDING OF APPLICATIONS WITH CERTAIN ADJUSTED SCORES.—To the extent feasible based on the availability of appropriations, the Secretary shall fund applications with scores that are adjusted upward under clauses (ii), (iii), and (iv) to equal or exceed the minimum cut off score for the applicable grant competition.";

(3) in subsection (e)—

(A) by striking "(g)(2)" each place it appears and inserting "(h)(4)"; and

(B) by adding at the end the following new paragraph:

"(3) Notwithstanding this subsection and subsection (h)(4), individuals who are foster care youth (including youth in foster care and youth who have left foster care after reaching age 13), or homeless children and youths as defined in section 725 of the McKinney-Vento Homeless Assistance Act, shall be eligible to participate in programs under sections 402B, 402C, 402D, and 402F.";

(4) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(5) by inserting after subsection (e) the following:

"(f) OUTCOME CRITERIA.—

"(1) USE FOR PRIOR EXPERIENCE DETERMINATION.—For competitions for grants under this chapter that begin on or after January 1, 2009, the Secretary shall determine an eligible entity's prior experience of high quality service delivery, as required under subsection (c)(2), based on the outcome criteria described in paragraphs (2) and (3).

"(2) DISAGGREGATION OF RELEVANT DATA.—The outcome criteria under this subsection shall be disaggregated by low-income students, first generation college students, and individuals with disabilities, in the schools and institutions of higher education served by the program to be evaluated.

"(3) CONTENTS OF OUTCOME CRITERIA.—The outcome criteria under this subsection shall measure, annually and for longer periods, the quality and effectiveness of programs authorized under this chapter and shall include the following:

"(A) For programs authorized under section 402B, the extent to which the eligible entity met or exceeded the entity's objectives established in the entity's application for such program regarding—

"(i) the delivery of service to a total number of students served by the program;

"(ii) the continued secondary school enrollment of such students;

"(iii) the graduation of such students from secondary school with a regular secondary school diploma in the standard number of years;

"(iv) the completion by such students of a rigorous secondary school program of study that will make such students eligible for programs such as the Academic Competitiveness Grants Program;

"(v) the enrollment of such students in an institution of higher education; and

"(vi) to the extent practicable, the postsecondary education completion of such students.

"(B) For programs authorized under section 402C, the extent to which the eligible entity met or exceeded the entity's objectives for such program regarding—

"(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period;

"(ii) such students' school performance, as measured by the grade point average, or its equivalent;

"(iii) such students' academic performance, as measured by standardized tests, including tests required by the students' State;

"(iv) the retention in, and graduation from, secondary school of such students;

"(v) the completion by such students of a rigorous secondary school program of study that will make such students eligible for programs such as the Academic Competitiveness Grants Program;

"(vi) the enrollment of such students in an institution of higher education; and

"(vii) to the extent practicable, the postsecondary education completion of such students.

"(C) For programs authorized under section 402D—

"(i) the extent to which the eligible entity met or exceeded the entity's objectives regarding the retention in postsecondary education of the students served by the program;

"(ii)(I) in the case of an entity that is an institution of higher education offering a baccalaureate degree, the extent to which the entity met or exceeded the entity's objectives regarding the percentage of such students' completion of the degree programs in which such students were enrolled; or

"(II) in the case of an entity that is an institution of higher education that does not offer a baccalaureate degree, the extent to which such students met or exceeded the entity's objectives regarding—

"(aa) the completion of a degree or certificate by such students; and

"(bb) the transfer of such students to institutions of higher education that offer baccalaureate degrees;

"(iii) the extent to which the entity met or exceeded the entity's objectives regarding the delivery of service to a total number of students, as agreed upon by the entity and the Secretary for the period; and

"(iv) the extent to which the entity met or exceeded the entity's objectives regarding the students served under the program who remain in good academic standing.

"(D) For programs authorized under section 402E, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

"(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period;

"(ii) the provision of appropriate scholarly and research activities for the students served by the program;

"(iii) the acceptance and enrollment of such students in graduate programs; and

"(iv) the continued enrollment of such students in graduate study and the attainment of doctoral degrees by former program participants.

"(E) For programs authorized under section 402F, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

"(i) the enrollment of students without a secondary school diploma or its recognized equivalent, who were served by the program, in programs leading to such diploma or equivalent;

"(ii) the enrollment of secondary school graduates who were served by the program in programs of post-secondary education;

"(iii) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period; and

"(iv) the provision of assistance to students served by the program in completing financial aid applications and college admission applications.

"(4) MEASUREMENT OF PROGRESS.—In order to determine the extent to which each outcome criterion described in paragraph (2) or (3) is met or exceeded, the Secretary shall compare the agreed upon target for the criterion, as established in the eligible entity's application approved by the Secretary, with the results for the criterion, measured as of the last day of the applicable time period for the determination for the outcome criterion.";

(6) in subsection (g) (as redesignated by paragraph (4))—

(A) in the first sentence, by striking "$700,000,000 for fiscal year 1999" and all that follows through the period and inserting "$900,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years."; and

(B) by striking the fourth sentence; and

(7) in subsection (h) (as redesignated by paragraph (4))—

(A) by redesignating paragraphs (1) through (4) as paragraphs (3) through (6), respectively;

(B) by inserting before paragraph (3) (as redesignated by subparagraph (A)) the following:

"(1) DIFFERENT CAMPUS.—The term 'different campus' means a site of an institution of higher education that—

"(A) is geographically apart from the main campus of the institution;

"(B) is permanent in nature; and

"(C) offers courses in educational programs leading to a degree, certificate, or other recognized educational credential.

"(2) DIFFERENT POPULATION.—The term 'different population' means a group of individuals that an eligible entity desires to serve through an application for a grant under this chapter, and that—

"(A) is separate and distinct from any other population that the entity has applied for a grant under this chapter to serve; or

"(B) while sharing some of the same needs as another population that the eligible entity has applied for a grant under this chapter to serve, has distinct needs for specialized services.";

(C) in paragraph (5) (as redesignated by subparagraph (A))—

(i) in subparagraph (A)—

(I) by striking ", any part of which occurred after January 31, 1955,"; and

(II) by striking "or" after the semicolon;

(ii) in subparagraph (B)—

(I) by striking "after January 31, 1955,"; and

(II) by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

"(C) was a member of a reserve component of the Armed Forces called to active duty for a period of more than 30 days; or

"(D) was a member of a reserve component of the Armed Forces who served on active duty in support of a contingency operation (as that term is defined in section 101(a)(13) of title 10, United States Code) on or after September 11, 2001."; and

(D) in paragraph (6) (as redesignated by subparagraph (A)), by striking "subparagraph (A) or (B) of paragraph (3)" and inserting "subparagraph (A), (B), or (C) of paragraph (5)".

(b) TALENT SEARCH.—Section 402B (20 U.S.C. 1070a–12) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by inserting ", and facilitate the application for," after "the availability of"; and

(B) in paragraph (3), by striking ", but who have the ability to complete such programs, to reenter" and inserting "to enter or reenter, and complete";

(2) by redesignating subsection (c) as subsection (d);

(3) by striking subsection (b) and inserting the following:

"(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

"(1) connections to high quality academic tutoring services, to enable students to complete secondary or postsecondary courses;

"(2) advice and assistance in secondary course selection and, if applicable, initial postsecondary course selection;

"(3) assistance in preparing for college entrance examinations and completing college admission applications;

"(4)(A) information on the full range of Federal student financial aid programs and benefits (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

"(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

"(5) guidance on and assistance in—

"(A) secondary school reentry;

"(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

"(C) entry into general educational development (GED) programs; or

"(D) postsecondary education; and

"(6) connections to education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.

"(c) PERMISSIBLE SERVICES.—Any project assisted under this section may provide services such as—

"(1) academic tutoring, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

"(2) personal and career counseling or activities;

"(3) information and activities designed to acquaint youth with the range of career options available to the youth;

"(4) exposure to the campuses of institutions of higher education, as well as cultural events, academic programs, and other sites or activities not usually available to disadvantaged youth;

"(5) workshops and counseling for families of students served;

"(6) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons; and

"(7) programs and activities as described in subsection (b) or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students."; and

(4) in the matter preceding paragraph (1) of subsection (d) (as redesignated by paragraph (2)), by striking "talent search projects under this chapter" and inserting "projects under this section".

(c) UPWARD BOUND.—Section 402C (20 U.S.C. 1070a–13) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

"(1) academic tutoring to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

"(2) advice and assistance in secondary and postsecondary course selection;

"(3) assistance in preparing for college entrance examinations and completing college admission applications;

"(4)(A) information on the full range of Federal student financial aid programs and benefits (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

"(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

"(5) guidance on and assistance in—

"(A) secondary school reentry;

"(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

"(C) entry into general educational development (GED) programs; or

"(D) postsecondary education; and

"(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.";

(2) in subsection (c)—

(A) in the subsection heading, by striking "REQUIRED SERVICES" and inserting "ADDITIONAL REQUIRED SERVICES FOR MULTIPLE-YEAR GRANT RECIPIENTS"; and

(B) by striking "upward bound project assisted under this chapter" and inserting "project assisted under this section";

(3) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(4) by inserting after subsection (c) the following:

"(d) PERMISSIBLE SERVICES.—Any project assisted under this section may provide such services as—

"(1) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged youth;

"(2) information, activities, and instruction designed to acquaint youth participating in the project with the range of career options available to the youth;

"(3) on-campus residential programs;

"(4) mentoring programs involving elementary school or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons;

"(5) work-study positions where youth participating in the project are exposed to careers requiring a postsecondary degree;

"(6) special services, including mathematics and science preparation, to enable veterans to make the transition to postsecondary education; and

"(7) programs and activities as described in subsection (b), subsection (c), or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students.";

(5) in subsection (e) (as redesignated by paragraph (3))—

(A) in the matter preceding paragraph (1), by striking "upward bound projects under this chapter" and inserting "projects under this section";

(B) in paragraph (2), by striking "either low-income" and all that follows through the semicolon and inserting "low-income individuals, first generation college students, or students who have a high risk for academic failure;";

(C) in paragraph (3), by striking "and" after the semicolon;

(D) in paragraph (4), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following:

"(5) require an assurance that no student will be denied participation in a project assisted under this section because the student will enter the project after the 9th grade.";

(6) in subsection (f) (as redesignated by paragraph (3))—

(A) by striking "during June, July, and August" each place the term occurs and inserting "during the summer school recess, for a period not to exceed three months"; and

(B) by striking "(b)(10)" and inserting "(d)(5)"; and

(7) by adding at the end the following:

"(h) ABSOLUTE PRIORITY PROHIBITED IN UPWARD BOUND PROGRAM.—Upon enactment of this subsection and except as otherwise expressly provided by amendment to this section, the Secretary shall not continue, implement, or enforce the absolute priority for the Upward Bound Program published by the Department of Education in the Federal Register on September 22, 2006 (71 Fed. Reg. 55447 et seq.). This subsection shall not be applied retroactively. In implementing this subsection, the Department shall allow the programs and participants chosen in the grant cycle to which the priority applies to continue their grants and participation without a further recompetition. The entities shall not be required to apply the absolute priority conditions or restrictions to future participants.".

(d) STUDENT SUPPORT SERVICES.—Section 402D (20 U.S.C. 1070a–14) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "and" after the semicolon; and

(B) by striking paragraph (3) and inserting the following:

"(3) to foster an institutional climate supportive of the success of students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students; and

"(4) to improve the financial literacy and economic literacy of students, including—

"(A) basic personal income, household money management, and financial planning skills; and

"(B) basic economic decisionmaking skills.";

(2) by redesignating subsections (c) and (d) as subsections (d) and (e);

(3) by striking subsection (b) and inserting the following:

"(b) REQUIRED SERVICES.—A project assisted under this section shall provide—

"(1) academic tutoring, directly or through other services provided by the institution, to enable students to complete postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

"(2) advice and assistance in postsecondary course selection;

"(3)(A) information on both the full range of Federal student financial aid programs and benefits (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

"(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

"(4) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

"(5) activities designed to assist students participating in the project in applying for admission to, and obtaining financial assistance for enrollment in, graduate and professional programs; and

"(6) activities designed to assist students enrolled in two-year institutions of higher education in applying for admission to, and obtaining financial assistance for enrollment in, a four-year program of postsecondary education.

"(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

"(1) individualized counseling for personal, career, and academic matters provided by assigned counselors;

"(2) information, activities, and instruction designed to acquaint students participating in the project with the range of career options available to the students;

"(3) exposure to cultural events and academic programs not usually available to disadvantaged students;

"(4) mentoring programs involving faculty or upper class students, or a combination thereof;

"(5) securing temporary housing during breaks in the academic year for—

"(A) students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)) or were formerly homeless children and youths; and

"(B) students who are in foster care or are aging out of the foster care system; and

"(6) programs and activities as described in subsection (b) or paragraphs (1) through (4) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students.";

(4) in subsection (d)(1) (as redesignated by paragraph (2)), by striking "subsection (b)" and inserting "subsection (c)"; and

(5) in the matter preceding paragraph (1) of subsection (e) (as redesignated by paragraph (2)), by striking "student support services projects under this chapter" and inserting "projects under this section".

(e) POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.—Section 402E (20 U.S.C. 1070a–15) is amended—

(1) in subsection (b)—

(A) in the subsection heading, by inserting "REQUIRED" before "SERVICES";

(B) in the matter preceding paragraph (1), by striking "A postbaccalaureate achievement project assisted under this section may provide services such as—" and inserting "A project assisted under this section shall provide—";

(C) in paragraph (5), by inserting "and" after the semicolon;

(D) in paragraph (6), by striking the semicolon and inserting a period; and

(E) by striking paragraphs (7) and (8);

(2) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively;

(3) by inserting after subsection (b) the following:

"(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

"(1) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

"(2) mentoring programs involving faculty members at institutions of higher education, students, or any combination of such persons; and

"(3) exposure to cultural events and academic programs not usually available to disadvantaged students.";

(4) in subsection (d) (as redesignated by paragraph (2))—

(A) in the matter preceding paragraph (1), by striking "postbaccalaureate achievement"; and

(B) in paragraph (2), by inserting after "graduate education" the following: ", including—

"(A) Alaska Natives, as defined in section 7306 of the Elementary and Secondary Education Act of 1965;

"(B) Native Hawaiians, as defined in section 7207 of such Act; and

"(C) Native American Pacific Islanders, as defined in section 320.";

(5) in the matter preceding paragraph (1) of subsection (f) (as redesignated by paragraph (2)), by striking "postbaccalaureate achievement project" and inserting "project under this section"; and

(6) in subsection (g) (as redesignated by paragraph (2))—

(A) by striking "402A(f)" and inserting "402A(g)"; and

(B) by striking "1993 through 1997" and inserting "2009 through 2014".

(f) EDUCATIONAL OPPORTUNITY CENTERS.—Section 402F (20 U.S.C. 1070a–16) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) to improve the financial literacy and economic literacy of students, including—

"(A) basic personal income, household money management, and financial planning skills; and

"(B) basic economic decisionmaking skills."; and

(2) in subsection (b)—

(A) by redesignating paragraphs (5) through (10) as paragraphs (6) through (11), respectively;

(B) by inserting after paragraph (4) the following:

"(5) education or counseling services designed to improve the financial literacy and economic literacy of students;";

(C) by striking paragraph (7) (as redesignated by subparagraph (A)) and inserting the following:

"(7) individualized personal, career, and academic counseling;"; and

(D) by striking paragraph (11) (as redesignated by subparagraph (A)) and inserting the following:

"(11) programs and activities as described in paragraphs (1) through (10) that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students.".

(g) STAFF DEVELOPMENT ACTIVITIES.—Section 402G(b) (20 U.S.C. 1070a–17(b)) is amended by adding at the end the following new paragraph:

"(5) Strategies for recruiting and serving hard to reach populations, including students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)), students who are in foster care or are aging out of the foster care system, or other disconnected students.".

(h) REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.—Section 402H (20 U.S.C. 1070a–18) is amended—

(1) by striking the section heading and inserting "**REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION**.";

(2) by redesignating subsections (a) through (c) as subsections (b) through (d), respectively;

(3) by inserting before subsection (b) (as redesignated by paragraph (2)) the following:

"(a) REPORTS TO THE AUTHORIZING COMMITTEES.—

"(1) IN GENERAL.—The Secretary shall submit annually, to the authorizing committees, a report that documents the performance of all programs funded under this chapter. Such report shall—

"(A) be submitted not later than 12 months after the eligible entities receiving funds under this chapter are required to report their performance to the Secretary;

"(B) focus on the programs' performance on the relevant outcome criteria determined under section 402A(f)(4);

"(C) aggregate individual project performance data on the outcome criteria in order to provide national performance data for each program;

"(D) include, when appropriate, descriptive data, multi-year data, and multi-cohort data; and

"(E) include comparable data on the performance nationally of low-income students, first-generation students, and students with disabilities.

"(2) INFORMATION.—The Secretary shall provide, with each report submitted under paragraph (1), information on the impact of the secondary review process described in section 402A(c)(8)(C)(iv), including the number and type of secondary reviews, the disposition of the secondary reviews, the effect on timing of awards, and any other information the Secretary determines is necessary."; and

(4) in subsection (b) (as redesignated by paragraph (2)), by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—

"(A) AUTHORIZATION OF GRANTS AND CONTRACTS.—For the purpose of improving the effectiveness of the programs and projects assisted under this chapter, the Secretary shall make grants to, or enter into contracts with, institutions of higher education and other public and private institutions and organizations to rigorously evaluate the effectiveness of the programs and projects assisted under this chapter, including a rigorous evaluation of the programs and projects assisted under section 402C. The evaluation of the programs and projects assisted under section 402C shall be implemented not later than June 30, 2010.

"(B) CONTENT OF UPWARD BOUND EVALUATION.—The evaluation of the programs and projects assisted under section 402C that is described in subparagraph (A) shall examine the characteristics of the students who benefit most from the Upward Bound program under section 402C and the characteristics of the programs and projects that most benefit students.

"(C) IMPLEMENTATION.—Each evaluation described in this paragraph shall be implemented in accordance with the requirements of this section.

"(2) PRACTICES.—

"(A) IN GENERAL.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are effective in—

"(i) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

"(ii) the preparation of such individuals and students for postsecondary education; and

"(iii) fostering the success of the individuals and students in postsecondary education.

"(B) PRIMARY PURPOSE.—Any evaluation conducted under this chapter shall have as the evaluation's primary purpose the identification of particular practices that further the achievement of the outcome criteria determined under section 402A(f)(4).

"(C) DISSEMINATION AND USE OF EVALUATION FINDINGS.—The Secretary shall disseminate to eligible entities and make available to the public the practices identified under subparagraph (B). The practices may be used by eligible entities that receive assistance under this chapter after the dissemination.

"(3) SPECIAL RULE RELATED TO EVALUATION PARTICIPATION.—The Secretary shall not require an eligible entity, as a condition for receiving, or that receives, assistance under any program or project under this chapter to participate in an evaluation under this section that—

"(A) requires the eligible entity to recruit additional students beyond those the program or project would normally recruit; or

"(B) results in the denial of services for an eligible student under the program or project.

"(4) CONSIDERATION.—When designing an evaluation under this subsection, the Secretary shall continue to consider—

"(A) the burden placed on the program participants or the eligible entity; and

"(B) whether the evaluation meets generally accepted standards of institutional review boards.".

SEC. 404. GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS.

(a) EARLY INTERVENTION AND COLLEGE AWARENESS PROGRAM AUTHORIZED.—Section 404A (20 U.S.C. 1070a–21) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the requirements of this chapter, to establish a program that encourages eligible entities to provide support, and maintain a commitment, to eligible low-income students, including students with disabilities, to assist the students in obtaining a secondary school diploma (or its recognized equivalent) and to prepare for and succeed in postsecondary education, by providing—

"(1) financial assistance, academic support, additional counseling, mentoring, outreach, and supportive services to secondary school students, including students with disabilities, to reduce—

"(A) the risk of such students dropping out of school; or

"(B) the need for remedial education for such students at the postsecondary level; and

"(2) information to students and their families about the advantages of obtaining a postsecondary education and, college financing options for the students and their families.";

(2) in subsection (b), by striking paragraph (2) and inserting the following:

"(2) AWARD PERIOD.—The Secretary may award a grant under this chapter to an eligible entity described in paragraphs (1) and (2) of subsection (c) for—

"(A) six years; or

"(B) in the case of an eligible entity that applies for a grant under this chapter for seven years to enable the eligible entity to provide services to a student through the student's first year of attendance at an institution of higher education, seven years.

"(3) PRIORITY.—In making awards to eligible entities described in subsection (c)(1), the Secretary shall—

"(A) give priority to eligible entities that—

"(i) on the day before the date of enactment of the Higher Education Opportunity Act, carried out successful educational opportunity programs under this chapter (as this chapter was in effect on such day); and

"(ii) have a prior, demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies; and

"(B) ensure that students served under this chapter on the day before the date of enactment of the Higher Education Opportunity Act continue to receive assistance through the completion of secondary school."; and

(3) in subsection (c), by striking paragraph (2) and inserting the following:

"(2) a partnership—

"(A) consisting of—

"(i) one or more local educational agencies; and

"(ii) one or more degree granting institutions of higher education; and

"(B) which may include not less than two other community organizations or entities, such as businesses, professional organizations, State agencies, institutions or agencies sponsoring programs authorized under subpart 4, or other public or private agencies or organizations.".

(b) REQUIREMENTS.—Section 404B (20 U.S.C. 1070a–22) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) FUNDING RULES.—In awarding grants from the amount appropriated under section 404H for a fiscal year, the Secretary shall make available—

"(1) to eligible entities described in section 404A(c)(1), not less than 33 percent of such amount;

"(2) to eligible entities described in section 404A(c)(2), not less than 33 percent of such amount; and

"(3) to eligible entities described in paragraph (1) or (2) of section 404A(c), the remainder of such amount taking into consideration the number, quality, and promise of the applications for the grants, and, to the extent practicable—

"(A) the geographic distribution of such grant awards; and

"(B) the distribution of such grant awards between urban and rural applicants.";

(2) by striking subsections (b), (e), and (f);

(3) by redesignating subsections (c), (d), and (g), as subsections (b), (c), and (d), respectively;

(4) in subsection (d)(1) (as redesignated by paragraph (3))—

(A) by striking "and" at the end of subparagraph (A);

(B) in subparagraph (B)—

(i) by inserting "and provide the option of continued services through the student's first year of attendance at an institution of higher education to the extent the provision of such services was described in the eligible entity's application for assistance under this chapter" after "grade level"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(C) provide services under this chapter to students who have received services under a previous GEAR UP grant award but have not yet completed the 12th grade."; and

(5) by adding at the end the following:

"(e) SUPPLEMENT, NOT SUPPLANT.—Grant funds awarded under this chapter shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities assisted under this chapter.".

(c) APPLICATION.—Section 404C (20 U.S.C. 1070a–23) is amended—

(1) in the section heading, by striking "**ELIGIBLE ENTITY PLANS**" and inserting "**APPLICATIONS**";

(2) in subsection (a)—

(A) in the subsection heading, by striking "PLAN" and inserting "APPLICATION";

(B) in paragraph (1)—

(i) by striking "a plan" and inserting "an application"; and

(ii) by striking the second sentence; and

(C) by striking paragraph (2) and inserting the following:

"(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may reasonably require. Each such application shall, at a minimum—

"(A) describe the activities for which assistance under this chapter is sought, including how the eligible entity will carry out the required activities described in section 404D(a);

"(B) describe, in the case of an eligible entity described in section 404A(c)(2) that chooses to provide scholarships, or an eligible entity described in section 404A(c)(1), how the eligible entity will meet the requirements of section 404E;

"(C) describe, in the case of an eligible entity described in section 404A(c)(2) that requests a reduced match percentage under subsection (b)(2), how such reduction will assist the entity to provide the scholarships described in subsection (b)(2)(A)(ii);

"(D) provide assurances that adequate administrative and support staff will be responsible for coordinating the activities described in section 404D;

"(E) provide assurances that activities assisted under this chapter will not displace an employee or eliminate a position at a school assisted under this chapter, including

a partial displacement such as a reduction in hours, wages, or employment benefits;

"(F) describe, in the case of an eligible entity described in section 404A(c)(1) that chooses to use a cohort approach, or an eligible entity described in section 404A(c)(2), how the eligible entity will define the cohorts of the students served by the eligible entity pursuant to section 404B(d), and how the eligible entity will serve the cohorts through grade 12, including—

"(i) how vacancies in the program under this chapter will be filled; and

"(ii) how the eligible entity will serve students attending different secondary schools;

"(G) describe how the eligible entity will coordinate programs under this chapter with other existing Federal, State, or local programs to avoid duplication and maximize the number of students served;

"(H) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this chapter;

"(I) provide information about the activities that will be carried out by the eligible entity to support systemic changes from which future cohorts of students will benefit; and

"(J) describe the sources of matching funds that will enable the eligible entity to meet the matching requirement described in subsection (b).";

(3) in subsection (b)—

(A) in the matter preceding subparagraph (A) of paragraph (1)—

(i) by striking "a plan" and inserting "an application"; and

(ii) by striking "such plan" and inserting "such application";

(B) in paragraph (1)(A), by inserting "and may be accrued over the full duration of the grant award period, except that the eligible entity shall make substantial progress towards meeting the matching requirement in each year of the grant award period" after "in cash or in-kind"; and

(C) in paragraph (2), by adding at the end the following new sentence: "The Secretary may approve an eligible entity's request for a reduced match percentage—

"(A) at the time of application—

"(i) if the eligible entity demonstrates significant economic hardship that precludes the eligible entity from meeting the matching requirement; or

"(ii) if the eligible entity is described in section 404A(c)(2) and requests that contributions to the eligible entity's scholarship fund established under section 404E be matched on a two to one basis; or

"(B) in response to a petition by an eligible entity subsequent to a grant award under this section if the eligible entity demonstrates that the matching funds described in its application are no longer available and the eligible entity has exhausted all revenues for replacing such matching funds."; and

(4) in subsection (c)—

(A) in paragraph (1)—

(i) by striking "paid to students from State, local, institutional, or private funds under this chapter" and inserting "obligated to students from State, local, institutional, or private funds under this chapter, including pre-existing non-Federal financial assistance programs,"; and

(ii) by striking the semicolon at the end and inserting "including—

"(A) the amount contributed to a student scholarship fund established under section 404E; and

"(B) the amount of the costs of administering the scholarship program under section 404E;";

(B) in paragraph (2), by striking "and" after the semicolon;

(C) in paragraph (3), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(4) other resources recognized by the Secretary, including equipment and supplies, cash contributions from non-Federal sources, transportation expenses, in-kind or discounted program services, indirect costs, and facility usage.".

(d) ACTIVITIES.—Section 404D (20 U.S.C. 1070a–24) is amended to read as follows:

"SEC. 404D. ACTIVITIES.

"(a) REQUIRED ACTIVITIES.—Each eligible entity receiving a grant under this chapter shall provide comprehensive mentoring, outreach, and supportive services to students participating in the programs under this chapter. Such activities shall include the following:

"(1) Providing information regarding financial aid for postsecondary education to participating students in the cohort described in section 404B(d)(1)(A) or to priority students described in subsection (d).

"(2) Encouraging student enrollment in rigorous and challenging curricula and coursework, in order to reduce the need for remedial coursework at the postsecondary level.

"(3) Improving the number of participating students who—

"(A) obtain a secondary school diploma; and

"(B) complete applications for and enroll in a program of postsecondary education.

"(4) In the case of an eligible entity described in section 404A(c)(1), providing for the scholarships described in section 404E.

"(b) PERMISSIBLE ACTIVITIES FOR STATES AND PARTNERSHIPS.—An eligible entity that receives a grant under this chapter may use grant funds to carry out one or more of the following activities:

"(1) Providing tutors and mentors, who may include adults or former participants of a program under this chapter, for eligible students.

"(2) Conducting outreach activities to recruit priority students described in subsection (d) to participate in program activities.

"(3) Providing supportive services to eligible students.

"(4) Supporting the development or implementation of rigorous academic curricula, which may include college preparatory, Advanced Placement, or International Baccalaureate programs, and providing participating students access to rigorous core academic courses that reflect challenging State academic standards.

"(5) Supporting dual or concurrent enrollment programs between the secondary school and institution of higher education partners of an eligible entity described in section 404A(c)(2), and other activities that support participating students in—

"(A) meeting challenging State academic standards;

"(B) successfully applying for postsecondary education;

"(C) successfully applying for student financial aid; and

"(D) developing graduation and career plans.

"(6) Providing special programs or tutoring in science, technology, engineering, or mathematics.

"(7) In the case of an eligible entity described in section 404A(c)(2), providing support for scholarships described in section 404E.

"(8) Introducing eligible students to institutions of higher education, through trips and school-based sessions.

"(9) Providing an intensive extended school day, school year, or summer program that offers—

"(A) additional academic classes; or

"(B) assistance with college admission applications.

"(10) Providing other activities designed to ensure secondary school completion and postsecondary education enrollment of at-risk children, such as—

"(A) the identification of at-risk children;

"(B) after-school and summer tutoring;

"(C) assistance to at-risk children in obtaining summer jobs;

"(D) academic counseling;

"(E) financial literacy and economic literacy education or counseling;

"(F) volunteer and parent involvement;

"(G) encouraging former or current participants of a program under this chapter to serve as peer counselors;

"(H) skills assessments;

"(I) personal and family counseling, and home visits;

"(J) staff development; and

"(K) programs and activities described in this subsection that are specially designed for students who are limited English proficient.

"(11) Enabling eligible students to enroll in Advanced Placement or International Baccalaureate courses, or college entrance examination preparation courses.

"(12) Providing services to eligible students in the participating cohort described in section 404B(d)(1)(A), through the first year of attendance at an institution of higher education.

"(13) Fostering and improving parent and family involvement in elementary and secondary education by promoting the advantages of a college education, and emphasizing academic admission requirements and the need to take college

preparation courses, through parent engagement and leadership activities.

"(14) Disseminating information that promotes the importance of higher education, explains college preparation and admission requirements, and raises awareness of the resources and services provided by the eligible entities to eligible students, their families, and communities.

"(15) In the event that matching funds described in the application are no longer available, engaging entities described in section 404A(c)(2) in a collaborative manner to provide matching resources and participate in other activities authorized under this section.

"(c) ADDITIONAL PERMISSIBLE ACTIVITIES FOR STATES.—In addition to the required activities described in subsection (a) and the permissible activities described in subsection (b), an eligible entity described in section 404A(c)(1) receiving funds under this chapter may use grant funds to carry out one or more of the following activities:

"(1) Providing technical assistance to—

"(A) secondary schools that are located within the State; or

"(B) partnerships described in section 404A(c)(2) that are located within the State.

"(2) Providing professional development opportunities to individuals working with eligible cohorts of students described in section 404B(d)(1)(A).

"(3) Providing administrative support to help build the capacity of eligible entities described in section 404A(c)(2) to compete for and manage grants awarded under this chapter.

"(4) Providing strategies and activities that align efforts in the State to prepare eligible students to attend and succeed in postsecondary education, which may include the development of graduation and career plans.

"(5) Disseminating information on the use of scientifically valid research and best practices to improve services for eligible students.

"(6)(A) Disseminating information on effective coursework and support services that assist students in obtaining the goals described in subparagraph (B)(ii).

"(B) Identifying and disseminating information on best practices with respect to—

"(i) increasing parental involvement; and

"(ii) preparing students, including students with disabilities and students who are limited English proficient, to succeed academically in, and prepare financially for, postsecondary education.

"(7) Working to align State academic standards and curricula with the expectations of postsecondary institutions and employers.

"(8) Developing alternatives to traditional secondary school that give students a head start on attaining a recognized postsecondary credential (including an industry-recognized certificate, an apprenticeship, or an associate's or a bachelor's degree), including school designs that give students early exposure to college-level courses and experiences and allow students to earn transferable college credits or an associate's degree at the same time as a secondary school diploma.

"(9) Creating community college programs for drop-outs that are personalized drop-out recovery programs that allow drop-outs to complete a regular secondary school diploma and begin college-level work.

"(d) PRIORITY STUDENTS.—For eligible entities not using a cohort approach, the eligible entity shall treat as a priority student any student in secondary school who is—

"(1) eligible to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

"(2) eligible for assistance under a State program funded under part A or E of title IV of the Social Security Act (42 U.S.C. 601 et seq., 670 et seq.);

"(3) eligible for assistance under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.); or

"(4) otherwise considered by the eligible entity to be a disconnected student.

"(e) ALLOWABLE PROVIDERS.—In the case of eligible entities described in section 404A(c)(1), the activities required by this section may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4, and other organizations the State determines appropriate.".

(e) SCHOLARSHIP COMPONENT.—Section 404E (20 U.S.C. 1070a–25) is amended—

(1) by striking subsections (e) and (f);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (f), and (g), respectively;

(3) by inserting after subsection (a) the following:

"(b) LIMITATION.—

"(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall use not less than 25 percent and not more than 50 percent of the grant funds for activities described in section 404D (except for the activity described in subsection (a)(4) of such section), with the remainder of such funds to be used for a scholarship program under this section in accordance with such subsection.

"(2) EXCEPTION.—Notwithstanding paragraph (1), the Secretary may allow an eligible entity to use more than 50 percent of grant funds received under this chapter for such activities, if the eligible entity demonstrates that the eligible entity has another means of providing the students with the financial assistance described in this section and describes such means in the application submitted under section 404C.

"(c) NOTIFICATION OF ELIGIBILITY.—Each eligible entity providing scholarships under this section shall provide information on the eligibility requirements for the scholarships to all participating students upon the students' entry into the programs assisted under this chapter.";

(4) in subsection (d) (as redesignated by paragraph (2)), by striking "the lesser of" and all that follows through the period at the end of paragraph (2) of such subsection (d) and inserting "the minimum Federal Pell Grant award under section 401 for such award year.";

(5) by inserting after subsection (d) (as redesignated by paragraph (2) and amended by paragraph (4)) the following:

"(e) PORTABILITY OF ASSISTANCE.—

"(1) IN GENERAL.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall hold in reserve, for the students served by such grant as described in section 404B(d)(1)(A) or 404D(d), an amount that is not less than the minimum scholarship amount described in subsection (d), multiplied by the number of students the eligible entity estimates will meet the requirements of paragraph (2).

"(2) REQUIREMENT FOR PORTABILITY.—Funds held in reserve under paragraph (1) shall be made available to an eligible student when the eligible student has—

"(A) completed a secondary school diploma, its recognized equivalent, or another recognized alternative standard for individuals with disabilities; and

"(B) enrolled in an institution of higher education.

"(3) QUALIFIED EDUCATIONAL EXPENSES.—Funds available to an eligible student under this subsection may be used for—

"(A) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of the eligible student at an institution of higher education; and

"(B) in the case of an eligible student with special needs, expenses for special needs services that are incurred in connection with such enrollment or attendance.

"(4) RETURN OF FUNDS.—

"(A) REDISTRIBUTION.—

"(i) IN GENERAL.—Funds held in reserve under paragraph (1) that are not used by an eligible student within six years of the student's scheduled completion of secondary school may be redistributed by the eligible entity to other eligible students.

"(ii) RETURN OF EXCESS TO THE SECRETARY.—If, after meeting the requirements of paragraph (1) and, if applicable, redistributing excess funds in accordance with clause (i) of this subparagraph, an eligible entity has funds held in reserve under paragraph (1) that remain available, the eligible entity shall return such remaining reserved funds to the Secretary for distribution to other grantees under this chapter in accordance with the funding rules described in section 404B(a).

"(B) NONPARTICIPATING ENTITY.—Notwithstanding subparagraph (A), in the case of an eligible entity that does not receive assistance under this subpart for six fiscal years, the eligible entity shall return any funds held in reserve under paragraph (1) that are not awarded or obligated to eligible students to the Secretary for distribution to other grantees under this chapter."; and

(6) in subsection (g)(4) (as redesignated by paragraph (2)), by striking "early intervention component required under section 404D" and inserting "activities required under section 404D(a)".

(f) 21ST CENTURY SCHOLAR CERTIFICATES.—Section 404F (20 U.S.C. 1070a–26) is amended by striking subsections (a) and (b) and inserting the following:

"(a) IN GENERAL.—An eligible entity that receives a grant under this chapter shall provide certificates, to be known as 21st Century

Scholar Certificates, to all students served by the eligible entity who are participating in a program under this chapter.

"(b) INFORMATION REQUIRED.—A 21st Century Scholar Certificate shall be personalized for each student and indicate the amount of Federal financial aid for college and the estimated amount of any scholarship provided under section 404E, if applicable, that a student may be eligible to receive.".

(g) EVALUATION.—Section 404G(c) (20 U.S.C. 1070a–27(c)) is amended by adding at the end the following: "Such evaluation shall include a separate analysis of—

"(1) the implementation of the scholarship component described in section 404E; and

"(2) the use of methods for complying with matching requirements described in paragraphs (1) and (2) of section 404C(c).".

(h) AUTHORIZATION OF APPROPRIATIONS.—Section 404H (20 U.S.C. 1070a–28) is amended by striking "$200,000,000 for fiscal year 1999" and all that follows through the period and inserting "$400,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.".

SEC. 405. ACADEMIC ACHIEVEMENT INCENTIVE SCHOLARSHIPS.

Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a–31 et seq.) is repealed.

SEC. 406. FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.

(a) APPROPRIATIONS AUTHORIZED.—Section 413A(b)(1) (20 U.S.C. 1070b(b)(1)) is amended by striking "$675,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

(b) ALLOWANCE FOR BOOKS AND SUPPLIES.—Section 413D(c)(3)(D) (20 U.S.C. 1070b–3(c)(3)(D)) is amended by striking "$450" and inserting "$600".

(c) TECHNICAL CORRECTION.—Section 413D(a)(1) (20 U.S.C. 1070b–3(a)(1)) is amended by striking "such institution" and all that follows through the period and inserting "such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).".

SEC. 407. LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 415A(b) (20 U.S.C. 1070c(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this subpart $200,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

"(2) RESERVATION.—For any fiscal year for which the amount appropriated under paragraph (1) exceeds $30,000,000, the excess amount shall be available to carry out section 415E.".

(b) APPLICATIONS.—Section 415C(b) (20 U.S.C. 1070c–2(b)) is amended—

(1) in paragraph (2), by striking "not in excess of $5,000 per academic year" and inserting "not to exceed the lesser

of $12,500 or the student's cost of attendance per academic year"; and

(2) in paragraph (9), by striking "and" after the semicolon;

(3) in paragraph (10)—

(A) by striking "a direct appropriation of"; and

(B) by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(11) provides notification to eligible students that such grants are—

"(A) Leveraging Educational Assistance Partnership Grants; and

"(B) funded by the Federal Government, the State, and, where applicable, other contributing partners.".

(c) GRANTS FOR ACCESS AND PERSISTENCE.—Section 415E (20 U.S.C. 1070c–3a) is amended to read as follows:

"SEC. 415E. GRANTS FOR ACCESS AND PERSISTENCE.

"(a) PURPOSE.—It is the purpose of this section to expand college access and increase college persistence by making allotments to States to enable the States to—

"(1) expand and enhance partnerships with institutions of higher education, early information and intervention, mentoring, or outreach programs, private corporations, philanthropic organizations, and other interested parties, including community-based organizations, in order to—

"(A) carry out activities under this section; and

"(B) provide coordination and cohesion among Federal, State, and local governmental and private efforts that provide financial assistance to help low-income students attend an institution of higher education;

"(2) provide need-based grants for access and persistence to eligible low-income students;

"(3) provide early notification to low-income students of the students' eligibility for financial aid; and

"(4) encourage increased participation in early information and intervention, mentoring, or outreach programs.

"(b) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—From sums reserved under section 415A(b)(2) for each fiscal year, the Secretary shall make an allotment to each State that submits an application for an allotment in accordance with subsection (c) to enable the State to pay the Federal share, as described in paragraph (2), of the cost of carrying out the activities under subsection (d).

"(B) DETERMINATION OF ALLOTMENT.—In making allotments under subparagraph (A), the Secretary shall consider the following:

"(i) CONTINUATION OF AWARD.—If a State continues to meet the specifications established in such State's application under subsection (c), the Secretary shall make an allotment to such State that is not less than the allotment made to such State for the previous fiscal year.

"(ii) PRIORITY.—The Secretary shall give priority in making allotments to States that meet the requirements described in paragraph (2)(B)(ii).

"(2) FEDERAL SHARE.—

"(A) IN GENERAL.—The Federal share of the cost of carrying out the activities under subsection (d) for any fiscal year shall not exceed 66.66 percent.

"(B) DIFFERENT PERCENTAGES.—The Federal share under this section shall be determined in accordance with the following:

"(i) The Federal share of the cost of carrying out the activities under subsection (d) shall be 57 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents less than a majority of all students attending institutions of higher education in the State, and—

"(I) philanthropic organizations that are located in, or that provide funding in, the State; or

"(II) private corporations that are located in, or that do business in, the State.

"(ii) The Federal share of the cost of carrying out the activities under subsection (d) shall be 66.66 percent if a State applies for an allotment under this section in partnership with any number of degree-granting institutions of higher education in the State whose combined full-time enrollment represents a majority of all students attending institutions of higher education in the State, and—

"(I) philanthropic organizations that are located in, or that provide funding in, the State; or

"(II) private corporations that are located in, or that do business in, the State.

"(C) NON-FEDERAL SHARE.—

"(i) IN GENERAL.—The non-Federal share under this section may be provided in cash or in kind, fairly evaluated.

"(ii) IN-KIND CONTRIBUTION.—For the purpose of calculating the non-Federal share under this subparagraph, an in-kind contribution is a non-cash contribution that—

"(I) has monetary value, such as the provision of—

"(aa) room and board; or

"(bb) transportation passes; and

"(II) helps a student meet the cost of attendance at an institution of higher education.

"(iii) EFFECT ON NEED ANALYSIS.—For the purpose of calculating a student's need in accordance with part F, an in-kind contribution described in clause (ii) shall not be considered an asset or income of the student or the student's parent.

"(c) APPLICATION FOR ALLOTMENT.—

"(1) IN GENERAL.—

"(A) SUBMISSION.—A State that desires to receive an allotment under this section on behalf of a partnership described in paragraph (3) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(B) CONTENT.—An application submitted under subparagraph (A) shall include the following:

"(i) A description of the State's plan for using the allotted funds.

"(ii) An assurance that the State will provide matching funds, in cash or in kind, from State, institutional, philanthropic, or private funds, of not less than 33.33 percent of the cost of carrying out the activities under subsection (d). The State shall specify the methods by which matching funds will be paid. A State that uses non-Federal funds to create or expand partnerships with entities described in subsection (a)(1), in which such entities match State funds for student scholarships, may apply such matching funds from such entities toward fulfilling the State's matching obligation under this clause.

"(iii) An assurance that the State will use funds provided under this section to supplement, and not supplant, Federal and State funds available for carrying out the activities under this title.

"(iv) An assurance that early information and intervention, mentoring, or outreach programs exist within the State or that there is a plan to make such programs widely available.

"(v) A description of the organizational structure that the State has in place to administer the activities under subsection (d), including a description of how the State will compile information on degree completion of students receiving grants under this section.

"(vi) A description of the steps the State will take to ensure that students who receive grants under this section persist to degree completion.

"(vii) An assurance that the State has a method in place, such as acceptance of the automatic zero expected family contribution determination described in section 479(c), to identify eligible low-income students and award State grant aid to such students.

"(viii) An assurance that the State will provide notification to eligible low-income students that grants under this section are—

"(I) Leveraging Educational Assistance Partnership Grants; and

"(II) funded by the Federal Government and the State, and, where applicable, other contributing partners.

"(2) STATE AGENCY.—The State agency that submits an application for a State under section 415C(a) shall be the same State agency that submits an application under paragraph (1) for such State.

"(3) PARTNERSHIP.—In applying for an allotment under this section, the State agency shall apply for the allotment in partnership with—

"(A) not less than one public and one private degree-granting institution of higher education that are located in the State, if applicable;

"(B) new or existing early information and intervention, mentoring, or outreach programs located in the State; and

"(C) not less than one—

"(i) philanthropic organization located in, or that provides funding in, the State; or

"(ii) private corporation located in, or that does business in, the State.

"(4) ROLES OF PARTNERS.—

"(A) STATE AGENCY.—A State agency that is in a partnership receiving an allotment under this section—

"(i) shall—

"(I) serve as the primary administrative unit for the partnership;

"(II) provide or coordinate non-Federal share funds, and coordinate activities among partners;

"(III) encourage each institution of higher education in the State to participate in the partnership;

"(IV) make determinations and early notifications of assistance as described under subsection (d)(2); and

"(V) annually report to the Secretary on the partnership's progress in meeting the purpose of this section; and

"(ii) may provide early information and intervention, mentoring, or outreach programs.

"(B) DEGREE-GRANTING INSTITUTIONS OF HIGHER EDUCATION.—A degree-granting institution of higher education that is in a partnership receiving an allotment under this section—

"(i) shall—

"(I) recruit and admit participating qualified students and provide such additional institutional grant aid to participating students as agreed to with the State agency;

"(II) provide support services to students who receive grants for access and persistence under this section and are enrolled at such institution; and

"(III) assist the State in the identification of eligible students and the dissemination of early notifications of assistance as agreed to with the State agency; and

"(ii) may provide funding for early information and intervention, mentoring, or outreach programs or provide such services directly.

"(C) PROGRAMS.—An early information and intervention, mentoring, or outreach program that is in a partnership receiving an allotment under this section shall provide direct services, support, and information to participating students.

"(D) PHILANTHROPIC ORGANIZATION OR PRIVATE CORPORATION.—A philanthropic organization or private corporation that is in a partnership receiving an allotment

under this section shall provide funds for grants for access and persistence for participating students, or provide funds or support for early information and intervention, mentoring, or outreach programs.

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT OF PARTNERSHIP.—Each State receiving an allotment under this section shall use the funds to establish a partnership to award grants for access and persistence to eligible low-income students in order to increase the amount of financial assistance such students receive under this subpart for undergraduate education expenses.

"(B) AMOUNT OF GRANTS.—The amount of a grant for access and persistence awarded by a State to a student under this section shall be not less than—

"(i) the average undergraduate tuition and mandatory fees at the public institutions of higher education in the State where the student resides that are of the same type of institution as the institution of higher education the student attends; minus

"(ii) other Federal and State aid the student receives.

"(C) SPECIAL RULES.—

"(i) PARTNERSHIP INSTITUTIONS.—A State receiving an allotment under this section may restrict the use of grants for access and persistence under this section by awarding the grants only to students attending institutions of higher education that are participating in the partnership.

"(ii) OUT-OF-STATE INSTITUTIONS.—If a State provides grants through another program under this subpart to students attending institutions of higher education located in another State, grants awarded under this section may be used at institutions of higher education located in another State.

"(2) EARLY NOTIFICATION.—

"(A) IN GENERAL.—Each State receiving an allotment under this section shall annually notify low-income students in grades seven through 12 in the State, and their families, of their potential eligibility for student financial assistance, including an access and persistence grant, to attend an institution of higher education.

"(B) CONTENT OF NOTICE.—The notice under subparagraph (A)—

"(i) shall include—

"(I) information about early information and intervention, mentoring, or outreach programs available to the student;

"(II) information that a student's eligibility for a grant for access and persistence is enhanced through participation in an early information and intervention, mentoring, or outreach program;

"(III) an explanation that student and family eligibility for, and participation in, other Federal means-tested programs may indicate eligibility for

a grant for access and persistence and other student aid programs;

"(IV) a nonbinding estimate of the total amount of financial aid that a low-income student with a similar income level may expect to receive, including an estimate of the amount of a grant for access and persistence and an estimate of the amount of grants, loans, and all other available types of aid from the major Federal and State financial aid programs;

"(V) an explanation that in order to be eligible for a grant for access and persistence, at a minimum, a student shall—

"(aa) meet the requirement under paragraph (3);

"(bb) graduate from secondary school; and

"(cc) enroll at an institution of higher education—

"(AA) that is a partner in the partnership; or

"(BB) with respect to which attendance is permitted under subsection (d)(1)(C)(ii);

"(VI) information on any additional requirements (such as a student pledge detailing student responsibilities) that the State may impose for receipt of a grant for access and persistence under this section; and

"(VII) instructions on how to apply for a grant for access and persistence and an explanation that a student is required to file a Free Application for Federal Student Aid authorized under section 483(a) to be eligible for such grant and assistance from other Federal and State financial aid programs; and

"(ii) may include a disclaimer that grant awards for access and persistence are contingent on—

"(I) a determination of the student's financial eligibility at the time of the student's enrollment at an institution of higher education that is a partner in the partnership or qualifies under subsection (d)(1)(C)(ii);

"(II) annual Federal and State spending for higher education; and

"(III) other aid received by the student at the time of the student's enrollment at such institution of higher education.

"(3) ELIGIBILITY.—In determining which students are eligible to receive grants for access and persistence, the State shall ensure that each such student complies with the following subparagraph (A) or (B):

"(A) Meets not less than two of the following criteria, with priority given to students meeting all of the following criteria:

"(i) Has an expected family contribution equal to zero, as determined under part F, or a comparable

alternative based upon the State's approved criteria in section 415C(b)(4).

"(ii) Qualifies for the State's maximum undergraduate award, as authorized under section 415C(b).

"(iii) Is participating in, or has participated in, a Federal, State, institutional, or community early information and intervention, mentoring, or outreach program, as recognized by the State agency administering activities under this section.

"(B) Is receiving, or has received, a grant for access and persistence under this section, in accordance with paragraph (5).

"(4) GRANT AWARD.—Once a student, including those students who have received early notification under paragraph (2) from the State, applies for admission to an institution that is a partner in the partnership, files a Free Application for Federal Student Aid and any related State form, and is determined eligible by the State under paragraph (3), the State shall—

"(A) issue the student a preliminary award certificate for a grant for access and persistence with estimated award amounts; and

"(B) inform the student that payment of the grant for access and persistence award amounts is subject to certification of enrollment and award eligibility by the institution of higher education.

"(5) DURATION OF AWARD.—An eligible student who receives a grant for access and persistence under this section shall receive such grant award for each year of such student's undergraduate education in which the student remains eligible for assistance under this title, including pursuant to section 484(c), and remains financially eligible as determined by the State, except that the State may impose reasonable time limits to degree completion.

"(e) ADMINISTRATIVE COST ALLOWANCE.—A State that receives an allotment under this section may reserve not more than two percent of the funds made available annually through the allotment for State administrative functions required to carry out this section.

"(f) STATUTORY AND REGULATORY RELIEF FOR INSTITUTIONS OF HIGHER EDUCATION.—The Secretary may grant, upon the request of an institution of higher education that is in a partnership described in subsection (b)(2)(B)(ii) and that receives an allotment under this section, a waiver for such institution from statutory or regulatory requirements that inhibit the ability of the institution to successfully and efficiently participate in the activities of the partnership.

"(g) APPLICABILITY RULE.—The provisions of this subpart that are not inconsistent with this section shall apply to the program authorized by this section.

"(h) MAINTENANCE OF EFFORT REQUIREMENT.—Each State receiving an allotment under this section for a fiscal year shall provide the Secretary with an assurance that the aggregate amount expended per student or the aggregate expenditures by the State, from funds derived from non-Federal sources, for the authorized activities described in subsection (d) for the preceding fiscal year

were not less than the amount expended per student or the aggregate expenditure by the State for the activities for the second preceding fiscal year.

"(i) SPECIAL RULE.—Notwithstanding subsection (h), for purposes of determining a State's share of the cost of the authorized activities described in subsection (d), the State shall consider only those expenditures from non-Federal sources that exceed the State's total expenditures for need-based grants, scholarships, and work-study assistance for fiscal year 1999 (including any such assistance provided under this subpart).

"(j) CONTINUATION AND TRANSITION.—For the two-year period that begins on the date of enactment of the Higher Education Opportunity Act, the Secretary shall continue to award grants under section 415E of the Higher Education Act of 1965 as such section existed on the day before the date of enactment of the Higher Education Opportunity Act to States that choose to apply for grants under such predecessor section.

"(k) REPORTS.—Not later than three years after the date of enactment of the Higher Education Opportunity Act and annually thereafter, the Secretary shall submit a report describing the activities and the impact of the partnerships under this section to the authorizing committees.".

SEC. 408. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A (20 U.S.C. 1070d–2) is amended—

(1) in subsection (b)—

(A) in paragraph (1)(B)(i), by striking "parents" and inserting "immediate family";

(B) in paragraph (3)(B), by inserting "(including preparation for college entrance examinations)" after "college program";

(C) in paragraph (5), by striking "weekly";

(D) in paragraph (7), by striking "and" after the semicolon;

(E) in paragraph (8)—

(i) by inserting "(such as transportation and child care)" after "services"; and

(ii) by striking the period at the end and inserting "; and"; and

(F) by adding at the end the following:

"(9) other activities to improve persistence and retention in postsecondary education.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by striking "parents" and inserting "immediate family"; and

(II) by striking "(or such part's predecessor authority)";

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting "to improve placement, persistence, and retention in postsecondary education," after "services"; and

(II) in clause (i), by striking "and career" and inserting "career, and economic education or personal finance";

(iii) in subparagraph (E), by striking "and" after the semicolon;

(iv) by redesignating subparagraph (F) as subparagraph (G);

(v) by inserting after subparagraph (E) the following:

"(F) internships; and"; and

(vi) in subparagraph (G) (as redesignated by clause (iv)), by striking "support services" and inserting "essential supportive services (such as transportation and child care)" ; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "and" after the semicolon;

(ii) in subparagraph (B), by striking the period at the end and inserting ", and coordinating such services, assistance, and aid with other non-program services, assistance, and aid, including services, assistance, and aid provided by community-based organizations, which may include mentoring and guidance; and"; and

(iii) by adding at the end the following:

"(C) for students attending two-year institutions of higher education, encouraging the students to transfer to four-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.";

(3) in subsection (e), by striking "section 402A(c)(1)" and inserting "section 402A(c)(2)";

(4) in subsection (f)—

(A) in paragraph (1), by striking "$150,000" and inserting "$180,000"; and

(B) in paragraph (2), by striking "$150,000" and inserting "$180,000";

(5) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(6) by inserting after subsection (f) the following:

"(g) RESERVATION AND ALLOCATION OF FUNDS.—From the amounts made available under subsection (i), the Secretary—

"(1) may reserve not more than a total of ½ of one percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a);

"(2) for any fiscal year for which the amount appropriated to carry out this section is equal to or greater than $40,000,000, shall, in awarding grants from the remainder of such amounts—

"(A) make available not less than 45 percent of such remainder for the high school equivalency programs and not less than 45 percent of such remainder for the college assistance migrant programs;

"(B) award the rest of such remainder for high school equivalency programs or college assistance migrant programs based on the number, quality, and promise of the applications; and

"(C) consider the need to provide an equitable geographic distribution of such grants; and

"(3) for any fiscal year for which the amount appropriated to carry out this section is less than $40,000,000, shall, in awarding grants from the remainder of such amounts make available the same percentage of funds to the high school equivalency program and to the college assistance migrant program as was made available for each such program for the fiscal year preceding the fiscal year for which the grant was made.";

(7) by striking subsection (h) (as redesignated by paragraph (5)) and inserting the following:

"(h) DATA COLLECTION.—The Secretary shall—

"(1) annually collect data on persons receiving services authorized under this subpart regarding such persons' rates of secondary school graduation, entrance into postsecondary education, and completion of postsecondary education, as applicable;

"(2) not less often than once every two years, prepare and submit to the authorizing committees a report based on the most recently available data under paragraph (1); and

"(3) make such report available to the public."; and

(8) by striking subsection (i) (as redesignated by paragraph (5)) and inserting the following:

"(i) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants and contracts under this section, there are authorized to be appropriated $75,000,000 for fiscal year 2009 and such sums as may be necessary for the each of the five succeeding fiscal years.".

SEC. 409. ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) ELIGIBILITY OF SCHOLARS.—Section 419F(a) (20 U.S.C. 1070d–36(a)) is amended by inserting "(or a home school, whether treated as a home school or a private school under State law)" after "public or private secondary school".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 419K (20 U.S.C. 1070d–41) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 410. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) MINIMUM GRANT.—Section 419N(b)(2)(B) (20 U.S.C. 1070e(b)(2)(B)) is amended—

(1) by striking "A grant" and inserting the following:

"(i) IN GENERAL.—Except as provided in clause (ii), a grant"; and

(2) by adding at the end the following:

"(ii) INCREASE TRIGGER.—For any fiscal year for which the amount appropriated under the authority of subsection (g) is equal to or greater than $20,000,000, a grant under this section shall be awarded in an amount that is not less than $30,000.".

(b) ELIGIBLE INSTITUTIONS.—Section 419N(b)(4) (20 U.S.C. 1070e(b)(4)) is amended by inserting ", except that for any fiscal year for which the amount appropriated to carry out this section is equal to or greater than $20,000,000, this sentence shall be applied by substituting '$250,000' for '$350,000'" before the period.

(c) DEFINITION OF LOW-INCOME STUDENT.—Paragraph (7) of section 419N(b) (20 U.S.C. 1070e(b)) is amended to read as follows:

"(7) DEFINITION OF LOW-INCOME STUDENT.—For the purpose of this section, the term 'low-income student' means a student—

"(A) who is eligible to receive a Federal Pell Grant for the award year for which the determination is made; or

"(B) who would otherwise be eligible to receive a Federal Pell Grant for the award year for which the determination is made, except that the student fails to meet the requirements of—

"(i) section 401(c)(1) because the student is enrolled in a graduate or first professional course of study; or

"(ii) section 484(a)(5) because the student is in the United States for a temporary purpose.".

(d) PUBLICITY.—Section 419N(b) (20 U.S.C. 1070e(b)) is further amended by adding at the end the following new paragraph:

"(8) PUBLICITY.—The Secretary shall publicize the availability of grants under this section in appropriate periodicals, in addition to publication in the Federal Register, and shall inform appropriate educational organizations of such availability.".

(e) REPORTING REQUIREMENTS.—Section 419N(e) (20 U.S.C. 1070e(e)) is amended—

(1) in paragraph (1)(A), by striking "18 months," and all that follows through the end and inserting "annually."; and

(2) in paragraph (2)—

(A) by striking "the third annual grant payment" and inserting "continuation awards"; and

(B) by striking "the 18-month report" and inserting "the reports".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 419N(g) (20 U.S.C. 1070e(g)) is amended by striking "$45,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 411. LEARNING ANYTIME ANYWHERE PARTNERSHIPS.

Subpart 8 of part A of title IV (20 U.S.C. 1070f et seq.) is repealed.

SEC. 412. TEACH GRANTS.

(a) AMENDMENTS.—Subpart 9 of part A of title IV (20 U.S.C. 1070g et seq.) is amended—

(1) in section 420N (20 U.S.C. 1070g–2)—

(A) in subsection (b)—

(i) in paragraph (1)(E), by striking "and" after the semicolon;

(ii) in paragraph (2), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following new paragraph:

"(3) contains, or is accompanied by, a plain-language disclosure form developed by the Secretary that clearly describes the nature of the TEACH Grant award, the service obligation, and the loan repayment requirements that are the consequence of the failure to complete the service obligation."; and

(B) by adding at the end the following new subsection:

"(d) ADDITIONAL ADMINISTRATIVE PROVISIONS.—

"(1) CHANGE OF HIGH-NEED DESIGNATION.—If a recipient of an initial grant under this subpart has acquired an academic degree, or expertise, in a field that was, at the time of the recipient's application for that grant, designated as high need in accordance with subsection (b)(1)(C)(vii), but is no longer so designated, the grant recipient may fulfill the service obligation described in subsection (b)(1) by teaching in that field.

"(2) EXTENUATING CIRCUMSTANCES.—The Secretary shall establish, by regulation, categories of extenuating circumstances under which a recipient of a grant under this subpart who is unable to fulfill all or part of the recipient's service obligation may be excused from fulfilling that portion of the service obligation."; and

(2) by adding at the end the following new section:

"SEC. 420P. PROGRAM REPORT.

"Not later than two years after the date of enactment of the Higher Education Opportunity Act and every two years thereafter, the Secretary shall prepare and submit to the authorizing committees a report on TEACH grants with respect to the schools and students served by recipients of such grants. Such report shall take into consideration information related to—

"(1) the number of TEACH grant recipients;

"(2) the degrees obtained by such recipients;

"(3) the location, including the school, local educational agency, and State, where the recipients completed the service agreed to under section 420N(b) and the subject taught;

"(4) the duration of such service; and

"(5) any other data necessary to conduct such evaluation.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a)(1) shall take effect on July 1, 2010.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

SEC. 421. LIMITATIONS ON AMOUNTS OF LOANS COVERED BY FEDERAL INSURANCE.

Section 424(a) (20 U.S.C. 1074(a)) is amended—

(1) by striking "2012" and inserting "2014"; and

(2) by striking "2016" and inserting "2018".

SEC. 422. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

(a) DEFINITIONS.—

(1) AMENDMENTS.—Subparagraph (C) of section 428(a)(2) (20 U.S.C. 1078(a)(2)) is amended to read as follows:

"(C) For the purpose of this paragraph—

"(i) a student's cost of attendance shall be determined under section 472;

"(ii) a student's estimated financial assistance means, for the period for which the loan is sought—

"(I) the amount of assistance such student will receive under subpart 1 of part A (as determined in accordance with section 484(b)), subpart 3 of part A, and parts C and E; plus

"(II) other scholarship, grant, or loan assistance, but excluding—

"(aa) any national service education award or post-service benefit under title I of the National and Community Service Act of 1990; and

"(bb) any veterans' education benefits as defined in section 480(c); and

"(iii) the determination of need and of the amount of a loan by an eligible institution under subparagraph (B) with respect to a student shall be calculated in accordance with part F.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on July 1, 2010.

(b) DURATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS.—Section 428(a)(5) (20 U.S.C. 1078(a)(5)) is amended—

(1) by striking "2012" and inserting "2014"; and

(2) by striking "2016" and inserting "2018".

(c) INSURANCE PROGRAM AGREEMENTS.—

(1) DEFERMENT INFORMATION REQUIREMENTS.—Section 428(b)(1)(Y) (20 U.S.C. 1078(b)(1)(Y)) is amended—

(A) by striking clause (i) and inserting the following:

"(i) the lender shall determine the eligibility of a borrower for a deferment described in subparagraph (M)(i) based on—

"(I) receipt of a request for deferment from the borrower and documentation of the borrower's eligibility for the deferment;

"(II) receipt of a newly completed loan application that documents the borrower's eligibility for a deferment;

"(III) receipt of student status information documenting that the borrower is enrolled on at least a half-time basis; or

"(IV) the lender's confirmation of the borrower's half-time enrollment status through use of the National Student Loan Data System, if the confirmation is requested by the institution of higher education;";

(B) in clause (ii), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(iii) the lender shall, at the time the lender grants a deferment to a borrower who received a loan under section 428H and is eligible for a deferment under subparagraph (M) of this paragraph, provide information to the borrower to assist the borrower in understanding the impact of the capitalization of interest on the borrower's loan principal and on the total amount of interest to be paid during the life of the loan.".

(2) TRANSFER INFORMATION REQUIREMENTS.—Section 428(b)(2)(F)(i) (20 U.S.C. 1078(b)(2)(F)(i)) is amended—

(A) in subclause (III), by striking "and" after the semicolon;

(B) in subclause (IV), by striking "and" after the semicolon; and

(C) by adding at the end the following:

"(V) the effective date of the transfer;

"(VI) the date on which the current servicer (as of the date of the notice) will stop accepting payments; and

"(VII) the date on which the new servicer will begin accepting payments; and".

(d) RESTRICTIONS ON INDUCEMENTS, PAYMENTS, MAILINGS, AND ADVERTISING.—Paragraph (3) of section 428(b) (20 U.S.C. 1078(b)(3)) is amended to read as follows:

"(3) RESTRICTIONS ON INDUCEMENTS, PAYMENTS, MAILINGS, AND ADVERTISING.—A guaranty agency shall not—

"(A) offer, directly or indirectly, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition payment or reimbursement, or other inducements to—

"(i) any institution of higher education or the employees of an institution of higher education in order to secure applicants for loans made under this part; or

"(ii) any lender, or any agent, employee, or independent contractor of any lender or guaranty agency, in order to administer or market loans made under this part (other than a loan made as part of the guaranty agency's lender-of-last-resort program pursuant to section 428(j)), for the purpose of securing the designation of the guaranty agency as the insurer of such loans;

"(B) conduct unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary schools or postsecondary educational institutions, or to the families of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans guaranteed under this part by the guaranty agency;

"(C) perform, for an institution of higher education participating in a program under this title, any function that such institution is required to perform under this title, except that the guaranty agency may perform functions on behalf of such institution in accordance with section 485(b);

"(D) pay, on behalf of an institution of higher education, another person to perform any function that such institution is required to perform under this title, except that the guaranty agency may perform functions on behalf of such institution in accordance with section 485(b); or

"(E) conduct fraudulent or misleading advertising concerning loan availability, terms, or conditions.

It shall not be a violation of this paragraph for a guaranty agency to provide technical assistance to institutions of higher education comparable to the technical assistance provided to institutions of higher education by the Department.".

(e) INFORMATION REGARDING INCOME-BASED REPAYMENT PLANS.—

(1) IN GENERAL.—Section 428(b)(9)(A) (20 U.S.C. 1078(b)(9)(A)) is amended—

(A) in clause (iii), by striking "and" after the semicolon;

(B) in clause (iv), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(v) beginning July 1, 2009, an income-based repayment plan that enables a borrower who has a partial financial hardship to make a lower monthly payment in accordance with section 493C, except that the plan described in this clause shall not be available to a borrower for a loan under section 428B made on behalf of a dependent student or for a consolidation loan under section 428C, if the proceeds of such loan were used to discharge the liability of a loan under section 428B made on behalf of a dependent student.".

(2) CONFORMING AMENDMENT.—Section 428(b)(1)(L)(i) (20 U.S.C. 1078(b)(1)(L)(i)) is amended by striking "clause (ii) or (iii)" and inserting "clause (ii), (iii), or (v)".

(f) FORBEARANCE INFORMATION REQUIREMENTS IN GUARANTY AGREEMENTS.—Section 428(c) (20 U.S.C. 1078(c)) is amended—

(1) in paragraph (2)(H)(i), by striking "preclaims" and inserting "default aversion"; and

(2) in paragraph (3)(C)—

(A) in clause (i), by striking "and" after the semicolon;

(B) in clause (ii), by striking "and" after the semicolon; and

(C) by inserting after clause (ii) the following:

"(iii) the lender shall, at the time of granting a borrower forbearance, provide information to the borrower to assist the borrower in understanding the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan; and

"(iv) the lender shall contact the borrower not less often than once every 180 days during the period of forbearance to inform the borrower of—

"(I) the amount of unpaid principal and the amount of interest that has accrued since the last statement of such amounts provided to the borrower by the lender;

"(II) the fact that interest will accrue on the loan for the period of forbearance;

"(III) the amount of interest that will be capitalized, and the date on which capitalization will occur;

"(IV) the option of the borrower to pay the interest that has accrued before the interest is capitalized; and

"(V) the borrower's option to discontinue the forbearance at any time; and".

(g) APPLICABILITY OF USURY LAWS.—

(1) AMENDMENT.—Section 428(d) (20 U.S.C. 1078(d)) is amended by inserting "and section 207 of the Servicemembers Civil Relief Act (50 U.S.C. App. 527)" after "this Act".

(2) CONFORMING AMENDMENT.—Section 438 (20 U.S.C. 1087–1) is amended by adding at the end the following new subsection:

"(g) SPECIAL RULE.—With respect to any loan made under this part for which the interest rate is determined under the

Servicemembers Civil Relief Act (50 U.S.C. App. 527), the applicable interest rate to be subtracted in calculating the special allowance for such loan under this section shall be the interest rate determined under that Act for such loan.".

(3) EFFECTIVE DATES.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act, and the amendment made by paragraph (2) shall take effect for loans for which the first disbursement is made on or after July 1, 2008.

(h) REPEAL OF DUPLICATIVE NOTICE REQUIREMENT.—Subsection (e) of section 428 (20 U.S.C. 1078(e)) is repealed.

(i) INFORMATION ON DEFAULTS.—Section 428(k) (20 U.S.C. 1078(k)) is amended by adding at the end the following:

"(4) PROVISION OF INFORMATION TO BORROWERS IN DEFAULT.—Each guaranty agency that has received a default claim from a lender regarding a borrower, shall provide the borrower in default, on not less than two separate occasions, with a notice, in simple and understandable terms, of not less than the following information:

"(A) The options available to the borrower to remove the borrower's loan from default.

"(B) The relevant fees and conditions associated with each option.".

(j) AUTHORITY TO REQUIRE INCOME-BASED REPAYMENT.—Section 428(m) (20 U.S.C. 1078(m)) is amended—

(1) in the subsection heading, by inserting "AND INCOME-BASED" after "INCOME CONTINGENT";

(2) in paragraph (1)—

(A) by inserting "or income-based repayment plan" before ", the terms and conditions"; and

(B) by inserting "or an income-based repayment plan under section 493C, as the case may be" before the period at the end; and

(3) in the paragraph heading of paragraph (2), by inserting "OR INCOME-BASED" after "INCOME CONTINGENT".

SEC. 423. VOLUNTARY FLEXIBLE AGREEMENTS.

Section 428A(a) (20 U.S.C. 1078–1(a)) is amended by adding at the end the following:

"(3) REPORT REQUIRED.—

"(A) IN GENERAL.—The Secretary, in consultation with the guaranty agencies operating under voluntary flexible agreements, shall report on an annual basis to the authorizing committees regarding the program outcomes that the voluntary flexible agreements have had with respect to—

"(i) program integrity and program and cost efficiencies, delinquency prevention, and default aversion, including a comparison of such outcomes to such outcomes for each guaranty agency operating under an agreement under subsection (b) or (c) of section 428;

"(ii) consumer education programs described in section 433A; and

"(iii) the availability and delivery of student financial aid.

"(B) CONTENTS.—Each report described in subparagraph (A) shall include—

"(i) a description of each voluntary flexible agreement and the performance goals established by the Secretary for each agreement;

"(ii) a list of—

"(I) guaranty agencies operating under voluntary flexible agreements;

"(II) the specific statutory or regulatory waivers provided to each such guaranty agency; and

"(III) any other waivers provided to other guaranty agencies under paragraph (1);

"(iii) a description of the standards by which each guaranty agency's performance under the guaranty agency's voluntary flexible agreement was assessed and the degree to which each guaranty agency achieved the performance standards;

"(iv) an analysis of the fees paid by the Secretary, and the costs and efficiencies achieved under each voluntary flexible agreement; and

"(v) an identification of promising practices for program improvement that could be replicated by other guaranty agencies.".

SEC. 424. FEDERAL PLUS LOANS.

(a) AMENDMENTS.—Section 428B (20 U.S.C. 1078–2) is amended—

(1) in subsection (a)(3)(B)(i), by striking subclause (II) and inserting the following:

"(II) does not otherwise have an adverse credit history, as determined by the lender in accordance with the regulations promulgated pursuant to paragraph (1)(A), as such regulations were in effect on the day before the date of enactment of the Ensuring Continued Access to Student Loans Act of 2008."; and

(2) in subsection (d), by striking paragraphs (1) and (2) and inserting the following:

"(1) COMMENCEMENT OF REPAYMENT.—Repayment of principal on loans made under this section shall commence not later than 60 days after the date such loan is disbursed by the lender, subject to deferral—

"(A)(i) during any period during which the parent borrower or the graduate or professional student borrower meets the conditions required for a deferral under section 427(a)(2)(C) or 428(b)(1)(M); and

"(ii) upon the request of the parent borrower, during any period during which the student on whose behalf the loan was borrowed by the parent borrower meets the conditions required for a deferral under section 427(a)(2)(C)(i)(I) or 428(b)(1)(M)(i)(I); and

"(B)(i) in the case of a parent borrower, upon the request of the parent borrower, during the 6-month period beginning on the later of—

"(I) the day after the date the student on whose behalf the loan was borrowed ceases to carry at least one-half the normal full-time academic workload (as determined by the institution); or

"(II) if the parent borrower is also a student, the day after the date such parent borrower ceases to carry at least one-half such a workload; and

"(ii) in the case of a graduate or professional student borrower, during the 6-month period beginning on the day after the date such student ceases to carry at least one-half the normal full-time academic workload (as determined by the institution).

"(2) CAPITALIZATION OF INTEREST.—

"(A) IN GENERAL.—Interest on loans made under this section for which payments of principal are deferred pursuant to paragraph (1) shall, if agreed upon by the borrower and the lender—

"(i) be paid monthly or quarterly; or

"(ii) be added to the principal amount of the loan not more frequently than quarterly by the lender.

"(B) INSURABLE LIMITS.—Capitalization of interest under this paragraph shall not be deemed to exceed the annual insurable limit on account of the borrower.".

(b) CONFORMING AMENDMENT.—Section 428(b)(7)(C) (20 U.S.C. 1078(b)(7)(C)) is amended by striking "section" and all that follows through "428C" and inserting "section 428B or 428C".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect for loans for which the first disbursement is made on or after July 1, 2008.

SEC. 425. FEDERAL CONSOLIDATION LOANS.

(a) ELIGIBLE BORROWER.—Section 428C(a)(3)(B)(i)(V) (20 U.S.C. 1078–3(a)(3)(B)(i)(V)) is amended—

(1) in item (aa), by striking "or" after the semicolon;

(2) in item (bb), by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(cc) for the purpose of using the no accrual of interest for active duty service members benefit offered under section 455(o).".

(b) CONSOLIDATION LOAN LENDER AGREEMENTS.—

(1) IN GENERAL.—Section 428C(b)(1) (20 U.S.C. 1078–3(b)(1)) is amended—

(A) in subparagraph (E), by striking "and" after the semicolon;

(B) by redesignating subparagraph (F) as subparagraph (G); and

(C) by inserting after subparagraph (E) the following:

"(F) that the lender shall disclose to a prospective borrower, in simple and understandable terms, at the time the lender provides an application for a consolidation loan—

"(i) whether consolidation would result in a loss of loan benefits under this part or part D, including loan forgiveness, cancellation, and deferment;

"(ii) with respect to Federal Perkins Loans under part E—

"(I) that if a borrower includes a Federal Perkins Loan under part E in the consolidation loan, the borrower will lose all interest-free periods that would have been available for the Federal Perkins Loan, such as—

"(aa) the periods during which no interest accrues on such loan while the borrower is enrolled in school at least half-time;

"(bb) the grace period under section 464(c)(1)(A); and

"(cc) the periods during which the borrower's student loan repayments are deferred under section 464(c)(2);

"(II) that if a borrower includes a Federal Perkins Loan in the consolidation loan, the borrower will no longer be eligible for cancellation of part or all of the Federal Perkins Loan under section 465(a); and

"(III) the occupations listed in section 465 that qualify for Federal Perkins Loan cancellation under section 465(a);

"(iii) the repayment plans that are available to the borrower;

"(iv) the options of the borrower to prepay the consolidation loan, to pay such loan on a shorter schedule, and to change repayment plans;

"(v) that borrower benefit programs for a consolidation loan may vary among different lenders;

"(vi) the consequences of default on the consolidation loan; and

"(vii) that by applying for a consolidation loan, the borrower is not obligated to agree to take the consolidation loan; and".

(2) CONSOLIDATION LOANS.—Section 428C(b)(5) (20 U.S.C. 1078–3(b)(5)) is amended—

(A) by inserting after the first sentence the following: "In addition, in the event that a borrower chooses to obtain a consolidation loan for the purposes of using the no accrual of interest for active duty service members program offered under section 455(o), the Secretary shall offer a Federal Direct Consolidation loan to any such borrower who applies for participation in such program."; and

(B) by striking "Such direct consolidation loan" and inserting "A direct consolidation loan offered under this paragraph".

(3) CONFORMING AMENDMENT.—Section 455(g) (20 U.S.C. 1087e(g)) is amended by striking "section 428C(b)(1)(F)" and inserting "section 428C(b)(1)(G)".

(c) TECHNICAL AMENDMENT.—Section 203(b)(2)(C) of the College Cost Reduction and Access Act (121 Stat. 794) is amended by striking "the second sentence" and inserting "the third sentence".

(d) INCOME-BASED REPAYMENT.—

(1) AMENDMENTS.—Section 428C(c) (20 U.S.C. 1078–3(c)) is amended—

(A) in the matter preceding clause (i) of paragraph (2)(A)—

(i) by striking "or income-sensitive" and inserting "income-sensitive, or income-based"; and

(ii) by inserting "or income-based" after "such income-sensitive"; and

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) by inserting "except in the case of an income-based repayment schedule under section 493C", before "a repayment"; and

(II) by striking "and" after the semicolon;

(ii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(C) an income-based repayment schedule under section 493C shall not be available to a consolidation loan borrower who used the proceeds of the loan to discharge the liability on a loan under section 428B, or a Federal Direct PLUS loan, made on behalf of a dependent student.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on July 1, 2009.

(e) EXTENSION OF CONSOLIDATION LOAN AUTHORITY.—Section 428C(e) (20 U.S.C. 1078–3(e)) is amended by striking "2012" and inserting "2014".

SEC. 426. DEFAULT REDUCTION PROGRAM.

Section 428F (20 U.S.C. 1078–6) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by adding at the end the following: "Upon the sale of the loan to an eligible lender, the guaranty agency or other holder of the loan shall request any consumer reporting agency to which the guaranty agency or holder, as applicable, reported the default of the loan, to remove the record of default from the borrower's credit history."; and

(B) by adding at the end the following:

"(5) LIMITATION.—A borrower may obtain the benefits available under this subsection with respect to rehabilitating a loan only one time per loan."; and

(2) by adding at the end the following:

"(c) FINANCIAL AND ECONOMIC LITERACY.—Each program described in subsection (b) shall include making available financial and economic education materials for a borrower who has rehabilitated a loan.".

SEC. 427. REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS.

(a) SPECIAL RULE.—Section 428G(a) (20 U.S.C. 1078–7(a)) is amended by adding at the end the following:

"(4) AMENDMENT TO SPECIAL RULE.—Beginning on October 1, 2011, the special rule under paragraph (3) shall be applied by substituting '15 percent' for '10 percent'.".

(b) REQUIREMENTS FOR DISBURSEMENTS TO FIRST YEAR STUDENTS.—Section 428G(b) (20 U.S.C. 1078–7(b)) is amended by adding at the end the following:

"(3) AMENDMENT TO COHORT DEFAULT RATE EXEMPTION.—Beginning on October 1, 2011, the exemption to the requirements of paragraph (1) in the second sentence of such paragraph shall be applied by substituting '15 percent' for '10 percent'.".

SEC. 428. UNSUBSIDIZED STAFFORD LOAN LIMITS.

(a) AMENDMENTS.—Section 428H(d) (20 U.S.C. 1078–8(d)) is amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking "GRADUATE AND PROFESSIONAL STUDENTS" and inserting "GRADUATE, PROFESSIONAL, AND INDEPENDENT POSTBACCALAUREATE STUDENTS"; and

(B) in subparagraph (A)—

(i) in the matter preceding clause (i), by inserting ", or a student described in clause (ii)," after "graduate or professional student"; and

(ii) by striking clause (ii) and inserting the following:

"(ii) notwithstanding paragraph (4), in the case of an independent student, or a dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program, who has obtained a baccalaureate degree and who is enrolled in coursework specified in paragraph (3)(B) or (4)(B) of section 484(b)—

"(I) $7,000 for coursework necessary for enrollment in a graduate or professional program; and

"(II) $7,000 for coursework necessary for a professional credential or certification from a State required for employment as a teacher in an elementary or secondary school,"; and

(2) in paragraph (4)(A), by striking clause (iii) and inserting the following:

"(iii) in the case of such a student enrolled in coursework specified in—

"(I) section 484(b)(3)(B), $6,000; or

"(II) section 484(b)(4)(B), $7,000.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect for loans for which the first disbursement is made on or after July 1, 2008.

SEC. 429. LOAN FORGIVENESS FOR TEACHERS EMPLOYED BY EDUCATIONAL SERVICE AGENCIES.

Section 428J (20 U.S.C. 1078–10) is amended—

(1) in subsection (b)(1)(A)—

(A) by inserting "or location" after "a school"; and

(B) by inserting "or locations" after "schools";

(2) in subsection (c)(1), by striking the second sentence;

(3) in subsection (c)(3)(B)(iii), by inserting "or, in the case of a teacher who is employed by an educational service agency, as certified by the chief administrative officer of such agency," after "borrower is employed,"; and

(4) in subsection (g), by striking paragraph (2) and inserting the following:

"(2) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit under both this section and—

"(A) section 428K;

"(B) section 455(m);

"(C) section 460; or

"(D) subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.).".

SEC. 430. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

Section 428K (20 U.S.C. 1078–11) is amended to read as follows:

"SEC. 428K. LOAN FORGIVENESS FOR SERVICE IN AREAS OF NATIONAL NEED.

"(a) PROGRAM AUTHORIZED.—

"(1) LOAN FORGIVENESS AUTHORIZED.—The Secretary shall forgive, in accordance with this section, the qualified loan amount described in subsection (c) of the student loan obligation of a borrower who—

"(A) is employed full-time in an area of national need, as described in subsection (b); and

"(B) is not in default on a loan for which the borrower seeks forgiveness.

"(2) METHOD OF LOAN FORGIVENESS.—To provide loan forgiveness under paragraph (1), the Secretary is authorized to carry out a program—

"(A) through the holder of the loan, to assume the obligation to repay a qualified loan amount for a loan made, insured, or guaranteed under this part (other than an excepted PLUS loan or an excepted consolidation loan (as such terms are defined in section 493C(a))); and

"(B) to cancel a qualified loan amount for a loan made under part D of this title (other than an excepted PLUS loan or an excepted consolidation loan).

"(3) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out this section.

"(b) AREAS OF NATIONAL NEED.—For purposes of this section, an individual is employed in an area of national need if the individual meets the requirements of one of the following:

"(1) EARLY CHILDHOOD EDUCATORS.—The individual is employed full-time as an early childhood educator.

"(2) NURSES.—The individual is employed full-time—

"(A) as a nurse in a clinical setting; or

"(B) as a member of the nursing faculty at an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(3) FOREIGN LANGUAGE SPECIALISTS.—The individual—

"(A) has obtained a baccalaureate or advanced degree in a critical foreign language; and

"(B) is employed full-time—

"(i) in an elementary school or secondary school as a teacher of a critical foreign language;

"(ii) in an agency of the United States Government in a position that regularly requires the use of such critical foreign language; or

"(iii) in an institution of higher education as a faculty member or instructor teaching a critical foreign language.

"(4) LIBRARIANS.—The individual is employed full-time as a librarian in—

"(A) a public library that serves a geographic area within which the public schools have a combined average of 30 percent or more of the schools' total student enrollments composed of children meeting a measure of poverty under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965; or

"(B) a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school.

"(5) HIGHLY QUALIFIED TEACHERS SERVING STUDENTS WHO ARE LIMITED ENGLISH PROFICIENT, LOW-INCOME COMMUNITIES, AND UNDERREPRESENTED POPULATIONS.—The individual—

"(A) is highly qualified, as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965; and

"(B) is employed full-time—

"(i) as a teacher educating students who are limited English proficient;

"(ii) as a teacher in a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school;

"(iii) as a teacher and is an individual from an underrepresented population in the teaching profession, as determined by the Secretary; or

"(iv) as a teacher in an educational service agency, as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965.

"(6) CHILD WELFARE WORKERS.—The individual—

"(A) has obtained a degree in social work or a related field with a focus on serving children and families; and

"(B) is employed full-time in public or private child welfare services.

"(7) SPEECH-LANGUAGE PATHOLOGISTS AND AUDIOLOGISTS.—The individual—

"(A) is employed full-time as a speech-language pathologist or audiologist in an eligible preschool program or a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school; and

"(B) has, at a minimum, a graduate degree in speech-language pathology, audiology, or communication sciences and disorders.

"(8) SCHOOL COUNSELORS.—The individual is employed full-time as a school counselor (as such term is defined in section 5421(e) of the Elementary and Secondary Education Act of 1965), in a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school.

"(9) PUBLIC SECTOR EMPLOYEES.—The individual is employed full-time in—

"(A) public safety (including as a first responder, firefighter, police officer, or other law enforcement or public safety officer);

"(B) emergency management (including as an emergency medical technician);

"(C) public health (including full-time professionals engaged in health care practitioner occupations and health care support occupations, as such terms are defined by the Bureau of Labor Statistics); or

"(D) public interest legal services (including prosecution, public defense, or legal advocacy in low-income communities at a nonprofit organization).

"(10) NUTRITION PROFESSIONALS.—The individual—

"(A) is a licensed, certified, or registered dietician who has completed a degree in a relevant field; and

"(B) is employed full-time as a dietician with an agency of the special supplemental nutrition program for women, infants, and children under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(11) MEDICAL SPECIALISTS.—The individual—

"(A) has received a degree from a medical school at an institution of higher education; and

"(B) has been accepted to, or currently participates in, a full-time graduate medical education training program or fellowship (or both) to provide health care services (as recognized by the Accreditation Council for Graduate Medical Education) that—

"(i) requires more than five years of total graduate medical training; and

"(ii) has fewer United States medical school graduate applicants than the total number of positions available in such program or fellowship.

"(12) MENTAL HEALTH PROFESSIONALS.—The individual—

"(A) has not less than a master's degree in social work, psychology, or psychiatry; and

"(B) is employed full-time providing mental health services to children, adolescents, or veterans.

"(13) DENTISTS.—The individual—

"(A)(i) has received a degree from an accredited dental school (as accredited by the Commission on Dental Accreditation);

"(ii) has completed residency training in pediatric dentistry, general dentistry, or dental public health; and

"(iii) is employed full-time as a dentist; or

"(B) is employed full-time as a member of the faculty at a program or school accredited by the Commission on Dental Accreditation.

"(14) STEM EMPLOYEES.—The individual is employed full-time in applied sciences, technology, engineering, or mathematics.

"(15) PHYSICAL THERAPISTS.—The individual—

"(A) is a physical therapist; and

"(B) is employed full-time providing physical therapy services to children, adolescents, or veterans.

"(16) SUPERINTENDENTS, PRINCIPALS, AND OTHER ADMINISTRATORS.—The individual is employed full-time as a school superintendent, principal, or other administrator in a local educational agency, including in an educational service agency, in which 30 percent or more of the schools are schools that qualify under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school.

"(17) OCCUPATIONAL THERAPISTS.—The individual is an occupational therapist and is employed full-time providing occupational therapy services to children, adolescents, or veterans.

"(c) QUALIFIED LOAN AMOUNT.—

"(1) IN GENERAL.—Subject to paragraph (2), for each school, academic, or calendar year of full-time employment in an area of national need described in subsection (b) that a borrower completes on or after the date of enactment of the Higher Education Opportunity Act, the Secretary shall forgive not more than $2,000 of the student loan obligation of the borrower

that is outstanding after the completion of each such school, academic, or calendar year of employment, respectively.

"(2) MAXIMUM AMOUNT.—The Secretary shall not forgive more than $10,000 in the aggregate for any borrower under this section, and no borrower shall receive loan forgiveness under this section for more than five years of service.

"(d) PRIORITY.—The Secretary shall grant loan forgiveness under this section on a first-come, first-served basis, and subject to the availability of appropriations.

"(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to authorize the refunding of any repayment of a loan.

"(f) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may, for the same service, receive a reduction of loan obligations under both this section and section 428J, 428L, 455(m), or 460.

"(g) DEFINITIONS.—In this section:

"(1) AUDIOLOGIST.—The term 'audiologist' means an individual who—

"(A) has received, at a minimum, a graduate degree in audiology from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a); and

"(B)(i) provides audiology services under subsection (ll)(2) of section 1861 of the Social Security Act (42 U.S.C. 1395x(ll)(2)); or

"(ii) meets or exceeds the qualifications for a qualified audiologist under subsection (ll)(4) of such section (42 U.S.C. 1395x(ll)(4)).

"(2) EARLY CHILDHOOD EDUCATOR.—The term 'early childhood educator' means an individual who—

"(A) works directly with children in an eligible preschool program or eligible early childhood education program in a low-income community;

"(B) is involved directly in the care, development, and education of infants, toddlers, or young children age five and under; and

"(C) has completed a baccalaureate or advanced degree in early childhood development or early childhood education, or in a field related to early childhood education.

"(3) ELIGIBLE PRESCHOOL PROGRAM.—The term 'eligible preschool program' means a program that—

"(A) provides for the care, development, and education of infants, toddlers, or young children age five and under;

"(B) meets any applicable State or local government licensing, certification, approval, and registration requirements, and

"(C) is operated by—

"(i) a public or private school that is supported, sponsored, supervised, or administered by a local educational agency;

"(ii) a Head Start agency serving as a grantee designated under the Head Start Act (42 U.S.C. 9831 et seq.);

"(iii) a nonprofit or community based organization; or

"(iv) a child care program, including a home.

"(4) ELIGIBLE EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'eligible early childhood education program' means—

"(A) a family child care program, center-based child care program, State prekindergarten program, school program, or other out-of-home early childhood development care program, that—

"(i) is licensed or regulated by the State; and

"(ii) serves two or more unrelated children who are not old enough to attend kindergarten;

"(B) a Head Start Program carried out under the Head Start Act (42 U.S.C. 9831 et seq.); or

"(C) an Early Head Start Program carried out under section 645A of the Head Start Act (42 U.S.C. 9840a).

"(5) LOW-INCOME COMMUNITY.—The term 'low-income community' means a school attendance area (as defined in section 1113(a)(2)(A) of the Elementary and Secondary Education Act of 1965)—

"(A) in which 70 percent of households earn less than 85 percent of the State median household income; or

"(B) that includes a school that qualifies under section 465(a)(2)(A) for loan cancellation for Perkins loan recipients who teach in such a school.

"(6) NURSE.—The term 'nurse' means a nurse who meets all of the following:

"(A) The nurse graduated from—

"(i) an accredited school of nursing (as those terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296));

"(ii) a nursing center; or

"(iii) an academic health center that provides nurse training.

"(B) The nurse holds a valid and unrestricted license to practice nursing in the State in which the nurse practices in a clinical setting.

"(C) The nurse holds one or more of the following:

"(i) A graduate degree in nursing, or an equivalent degree.

"(ii) A nursing degree from a collegiate school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)).

"(iii) A nursing degree from an associate degree school of nursing (as defined in such section).

"(iv) A nursing degree from a diploma school of nursing (as defined in such section).

"(7) OCCUPATIONAL THERAPIST.—The term 'occupational therapist' means an individual who—

"(A) has received, at a minimum, a baccalaureate degree in occupational therapy from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a); and

"(B)(i) provides occupational therapy services under section 1861(g) of the Social Security Act (42 U.S.C. 1395x(g)); or

"(ii) meets or exceeds the qualifications for a qualified occupational therapist, as determined by State law.

"(8) PHYSICAL THERAPIST.—The term 'physical therapist' means an individual who—

"(A) has received, at a minimum, a graduate degree in physical therapy from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a); and

"(B)(i) provides physical therapy services under section 1861(p) of the Social Security Act (42 U.S.C. 1395x(p)); or

"(ii) meets or exceeds the qualifications for a qualified physical therapist, as determined by State law.

"(9) SPEECH-LANGUAGE PATHOLOGIST.—The term 'speech-language pathologist' means a speech-language pathologist who—

"(A) has received, at a minimum, a graduate degree in speech-language pathology or communication sciences and disorders from an institution of higher education accredited by an agency or association recognized by the Secretary pursuant to section 496(a); and

"(B) provides speech-language pathology services under section 1861(ll)(1) of the Social Security Act (42 U.S.C. 1395x(ll)(1)), or meets or exceeds the qualifications for a qualified speech-language pathologist under subsection (ll)(3) of such section (42 U.S.C. 1395x(ll)(3)).

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years to provide loan forgiveness in accordance with this section.".

SEC. 431. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

Part B of title IV (20 U.S.C. 1071 et seq.) is amended by inserting after section 428K the following:

"SEC. 428L. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

"(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as civil legal assistance attorneys.

"(b) DEFINITIONS.—In this section:

"(1) CIVIL LEGAL ASSISTANCE ATTORNEY.—The term 'civil legal assistance attorney' means an attorney who—

"(A) is a full-time employee of—

"(i) a nonprofit organization that provides legal assistance with respect to civil matters to low-income individuals without a fee; or

"(ii) a protection and advocacy system or client assistance program that provides legal assistance with respect to civil matters and receives funding under—

"(I) subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.);

"(II) section 112 or 509 of the Rehabilitation Act of 1973 (29 U.S.C. 732, 794e);

"(III) part A of title I of the Protection and Advocacy for Individuals with Mental Illness Act (42 U.S.C. 10801 et seq.);

"(IV) section 5 of the Assistive Technology Act of 1998 (29 U.S.C. 3004);

"(V) section 1150 of the Social Security Act (42 U.S.C. 1320b–21);

"(VI) section 1253 of the Public Health Service Act (42 U.S.C. 300d–53); or

"(VII) section 291 of the Help America Vote Act of 2002 (42 U.S.C. 15461);

"(B) as such employee, provides civil legal assistance as described in subparagraph (A) on a full-time basis; and

"(C) is continually licensed to practice law.

"(2) STUDENT LOAN.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'student loan' means—

"(i) subject to clause (ii), a loan made, insured, or guaranteed under this part, part D, or part E; and

"(ii) a loan made under section 428C or 455(g), to the extent that such loan was used to repay—

"(I) a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct PLUS Loan;

"(II) a loan made under section 428, 428B, or 428H; or

"(III) a loan made under part E.

"(B) EXCLUSION OF PARENT PLUS LOANS.—The term 'student loan' does not include any of the following loans:

"(i) A loan made to the parents of a dependent student under section 428B.

"(ii) A Federal Direct PLUS Loan made to the parents of a dependent student.

"(iii) A loan made under section 428C or 455(g), to the extent that such loan was used to repay—

"(I) a loan made to the parents of a dependent student under section 428B; or

"(II) a Federal Direct PLUS Loan made to the parents of a dependent student.

"(c) PROGRAM AUTHORIZED.—From amounts appropriated under subsection (i) for a fiscal year, the Secretary shall carry out a program of assuming the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

"(1) is employed as a civil legal assistance attorney; and

"(2) is not in default on a loan for which the borrower seeks repayment.

"(d) TERMS OF AGREEMENT.—

"(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement with the Secretary that specifies that—

"(A) the borrower will remain employed as a civil legal assistance attorney for a required period of service of not less than three years, unless involuntarily separated from that employment;

"(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Secretary the amount of any benefits received by such employee under this agreement;

"(C) if the borrower is required to repay an amount to the Secretary under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

"(D) the Secretary may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be contrary to the public interest; and

"(E) the Secretary shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

"(2) REPAYMENTS.—

"(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual under this subsection shall be credited to the appropriation account from which the amount involved was originally paid.

"(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

"(3) LIMITATIONS.—

"(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Secretary under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Secretary in an agreement under paragraph (1), except that the amount paid by the Secretary under this section shall not exceed—

"(i) $6,000 for any borrower in any calendar year; or

"(ii) an aggregate total of $40,000 in the case of any borrower.

"(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Secretary to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Secretary entered into an agreement with the borrower under this subsection.

"(e) ADDITIONAL AGREEMENTS.—

"(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Secretary may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

"(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a civil legal assistance attorney for less than three years.

"(f) AWARD BASIS; PRIORITY.—

"(1) AWARD BASIS.—Subject to paragraph (2), the Secretary shall provide repayment benefits under this section on a first-come, first-served basis, and subject to the availability of appropriations.

"(2) PRIORITY.—The Secretary shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

"(A) has practiced law for five years or less and, for not less than 90 percent of the time in such practice, has served as a civil legal assistance attorney;

"(B) received repayment benefits under this section during the preceding fiscal year; and

"(C) has completed less than three years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

"(g) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may, for the same service, receive a reduction of loan obligations under both this section and section 428K or 455(m).

"(h) REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out this section.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.".

SEC. 432. REPORTS TO CONSUMER REPORTING AGENCIES AND INSTITUTIONS OF HIGHER EDUCATION.

(a) IN GENERAL.—Section 430A (20 U.S.C. 1080a) is amended—

(1) in the section heading, by striking "**CREDIT BUREAUS**" and inserting "**CONSUMER REPORTING AGENCIES**";

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) in the first sentence—

(I) by striking "the Secretary," and inserting "the Secretary and"; and

(II) by striking "agreements with credit bureau organizations" and inserting "an agreement with each consumer reporting agency";

(ii) in the second sentence—

(I) by striking "such organizations" each place the term occurs and inserting "such consumer reporting agencies"; and

(II) by striking "insurance), by" and inserting "insurance) or by"; and

(iii) in the third sentence—

(I) by striking "Secretary," and inserting "Secretary or"; and

(II) by striking "organizations" and inserting "consumer reporting agencies";

(B) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(C) by inserting before paragraph (2) (as redesignated by subparagraph (B)), the following:

"(1) that the loan is an education loan (as such term is defined in section 151);"; and

(D) by inserting after paragraph (2) (as redesignated by subparagraph (B)) the following:

"(3) information concerning the repayment status of the loan for inclusion in the file of the borrower, except that nothing in this subsection shall be construed to affect any otherwise applicable provision of the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.);";

(3) in subsection (b)—

(A) by striking "organizations" and inserting "consumer reporting agencies"; and

(B) by striking "subsection (a)(2)" and inserting "subsection (a)(4)";

(4) in subsection (c)—

(A) in paragraph (2), by striking "organizations" and inserting "consumer reporting agencies"; and

(B) in paragraph (4)—

(i) by striking "subsection (a)(2)" and inserting "subsection (a)(4)"; and

(ii) in subparagraph (A), by striking "credit bureau organizations" and inserting "consumer reporting agencies"; and

(5) in subsection (d), by striking "credit bureau organization" and inserting "consumer reporting agency".

(b) CONFORMING AMENDMENTS.—The Act (20 U.S.C. 1001 et seq.) is further amended—

(1) in section 427(a)(2)(G) (20 U.S.C. 1077(a)(2)(G))—

(A) in clause (i), by striking "credit bureau organizations" and inserting "consumer reporting agencies"; and

(B) in clause (ii), by striking "organizations" and inserting "consumer reporting agencies";

(2) in section 428(c)(3)(A)(iii) (20 U.S.C. 1078(c)(3)(A)(iii)), by striking "credit bureau organization" and inserting "consumer reporting agency";

(3) in section 428C(b)(4)(E) (20 U.S.C. 1078–3(b)(4)(E))—

(A) in clause (i), by striking "credit bureau organizations" and inserting "consumer reporting agencies"; and

(B) in clause (ii), by striking "organizations" and inserting "consumer reporting agencies";

(4) in section 437(c)(5) (20 U.S.C. 1087(c)(5)), by striking "credit bureaus" and inserting "consumer reporting agencies";

(5) in section 463(c) (20 U.S.C. 1087cc(c))—

(A) in the subsection heading, by striking "CREDIT BUREAU ORGANIZATIONS" and inserting "CONSUMER REPORTING AGENCIES";

(B) in paragraph (1), by striking "credit bureau organizations" and inserting "consumer reporting agencies";

(C) in paragraph (2), by striking "organizations" and inserting "consumer reporting agencies";

(D) in paragraph (4)(A), by striking "credit bureau organization" each place the term occurs and inserting "consumer reporting agency"; and

(E) in paragraph (5)—

(i) by striking "credit bureau organizations" and inserting "consumer reporting agencies"; and

(ii) by striking "such organizations" and inserting "such consumer reporting agencies";

(6) in section 463A(a)(11) (20 U.S.C. 1087cc–1(a)(11)), by striking "credit bureau or credit" and inserting "consumer"; and

(7) in section 464 (20 U.S.C. 10877dd)—

(A) in subsection (c)(1)(I), by striking "credit bureau organizations" and inserting "consumer reporting agencies"; and

(B) in subsection (h)(1)(A), by striking "credit bureau organization or credit" and inserting "consumer".

SEC. 433. LEGAL POWERS AND RESPONSIBILITIES.

(a) SETTLEMENT OF CLAIMS.—Section 432(b) (20 U.S.C. 1082(b)) is amended by adding at the end the following: "The Secretary may not enter into any settlement of any claim under this title that exceeds $1,000,000 unless—

"(1) the Secretary requests a review of the proposed settlement of such claim by the Attorney General; and

"(2) the Attorney General responds to such request, which may include, at the Attorney General's discretion, a written opinion related to such proposed settlement.".

(b) COMMON FORMS AND FORMATS.—Section 432(m)(1)(D)(i) (20 U.S.C. 1082(m)(1)(D)(i)) is amended by adding at the end the following: "Unless otherwise notified by the Secretary, each institution of higher education that participates in the program under this part or part D may use a master promissory note for loans under this part and part D.".

SEC. 434. STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

(a) AMENDMENT.—Section 433 (20 U.S.C. 1083) is amended to read as follows:

"SEC. 433. STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

"(a) REQUIRED DISCLOSURE BEFORE DISBURSEMENT.—Each eligible lender, at or prior to the time such lender disburses a loan that is insured or guaranteed under this part (other than a loan made under section 428C), shall provide thorough and accurate loan information on such loan to the borrower in simple and understandable terms. Any disclosure required by this subsection may be made by an eligible lender by written or electronic means, including as part of the application material provided to the borrower, as part of the promissory note evidencing the loan, or on a separate written form provided to the borrower. Each lender shall provide to each borrower a telephone number, and may provide an electronic address, through which additional loan information can be obtained. The disclosure shall include—

"(1) a statement prominently and clearly displayed and in bold print that the borrower is receiving a loan that must be repaid;

"(2) the name of the eligible lender, and the address to which communications and payments should be sent;

"(3) the principal amount of the loan;

"(4) the amount of any charges, such as the origination fee and Federal default fee, and whether those fees will be—

"(A) collected by the lender at or prior to the disbursal of the loan;

"(B) deducted from the proceeds of the loan;

"(C) paid separately by the borrower; or

"(D) paid by the lender;

"(5) the stated interest rate on the loan;

"(6) for loans made under section 428H or to a student borrower under section 428B, an explanation—

"(A) that the borrower has the option to pay the interest that accrues on the loan while the borrower is a student at an institution of higher education; and

"(B) if the borrower does not pay such interest while attending an institution, when and how often interest on the loan will be capitalized;

"(7) for loans made to a parent borrower on behalf of a student under section 428B, an explanation—

"(A) that the parent has the option to defer payment on the loan while the student is enrolled on at least a half-time basis in an institution of higher education;

"(B) if the parent does not pay the interest on the loan while the student is enrolled in an institution, when and how often interest on the loan will be capitalized; and

"(C) that the parent may be eligible for a deferment on the loan if the parent is enrolled on at least a half-time basis in an institution of higher education;

"(8) the yearly and cumulative maximum amounts that may be borrowed;

"(9) a statement of the total cumulative balance, including the loan being disbursed, owed by the borrower to that lender, and an estimate of the projected monthly payment, given such cumulative balance;

"(10) an explanation of when repayment of the loan will be required and when the borrower will be obligated to pay interest that accrues on the loan;

"(11) a description of the types of repayment plans that are available for the loan;

"(12) a statement as to the minimum and maximum repayment terms which the lender may impose, and the minimum annual payment required by law;

"(13) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

"(14) a statement that the borrower has the right to prepay all or part of the loan, at any time, without penalty;

"(15) a statement summarizing circumstances in which repayment of the loan or interest that accrues on the loan may be deferred;

"(16) a statement summarizing the circumstances in which a borrower may obtain forbearance on the loan;

"(17) a description of the options available for forgiveness of the loan, and the requirements to obtain loan forgiveness;

"(18) a definition of default and the consequences to the borrower if the borrower defaults, including a statement that the default will be reported to a consumer reporting agency; and

"(19) an explanation of any cost the borrower may incur during repayment or in the collection of the loan, including fees that the borrower may be charged, such as late payment fees and collection costs.

"(b) REQUIRED DISCLOSURE BEFORE REPAYMENT.—Each eligible lender shall, at or prior to the start of the repayment period on a loan made, insured, or guaranteed under section 428, 428B, or 428H, disclose to the borrower by written or electronic means the information required under this subsection in simple and understandable terms. Each eligible lender shall provide to each borrower a telephone number, and may provide an electronic address, through which additional loan information can be obtained. The disclosure required by this subsection shall be made not less than 30 days nor more than 150 days before the first payment on the loan is due from the borrower. The disclosure shall include—

"(1) the name of the eligible lender or loan servicer, and the address to which communications and payments should be sent;

"(2) the scheduled date upon which the repayment period is to begin or the deferment period under section 428B(d)(1) is to end, as applicable;

"(3) the estimated balance owed by the borrower on the loan or loans covered by the disclosure (including, if applicable, the estimated amount of interest to be capitalized) as of the scheduled date on which the repayment period is to begin or the deferment period under 428B(d)(1) is to end, as applicable;

"(4) the stated interest rate on the loan or loans, or the combined interest rate of loans with different stated interest rates;

"(5) information on loan repayment benefits offered for the loan or loans, including—

"(A) whether the lender offers any benefits that are contingent on the repayment behavior of the borrower, such as—

"(i) a reduction in interest rate if the borrower repays the loan by automatic payroll or checking account deduction;

"(ii) a reduction in interest rate if the borrower makes a specified number of on-time payments; and

"(iii) other loan repayment benefits for which the borrower could be eligible that would reduce the amount of repayment or the length of the repayment period;

"(B) if the lender provides a loan repayment benefit—

"(i) any limitations on such benefit;

"(ii) explicit information on the reasons a borrower may lose eligibility for such benefit;

"(iii) for a loan repayment benefit that reduces the borrower's interest rate—

"(I) examples of the impact the interest rate reduction would have on the length of the borrower's repayment period and the amount of repayment; and

"(II) upon the request of the borrower, the effect the reduction in interest rate would have with respect to the borrower's payoff amount and time for repayment; and

"(iv) whether and how the borrower can regain eligibility for a benefit if a borrower loses a benefit;

"(6) a description of all the repayment plans that are available to the borrower and a statement that the borrower may change from one plan to another during the period of repayment;

"(7) the repayment schedule for all loans covered by the disclosure, including—

"(A) the date the first installment is due; and

"(B) the number, amount, and frequency of required payments, which shall be based on a standard repayment plan or, in the case of a borrower who has selected another repayment plan, on the repayment plan selected by the borrower;

"(8) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan and of the availability and terms of such other options;

"(9) except as provided in subsection (d)—

"(A) the projected total of interest charges which the borrower will pay on the loan or loans, assuming that the borrower makes payments exactly in accordance with the repayment schedule; and

"(B) if the borrower has already paid interest on the loan or loans, the amount of interest paid;

"(10) the nature of any fees which may accrue or be charged to the borrower during the repayment period;

"(11) a statement that the borrower has the right to prepay all or part of the loan or loans covered by the disclosure at any time without penalty;

"(12) a description of the options by which the borrower may avoid or be removed from default, including any relevant fees associated with such options; and

"(13) additional resources, including nonprofit organizations, advocates, and counselors (including the Student Loan Ombudsman of the Department) of which the lender is aware, where borrowers may receive advice and assistance on loan repayment.

"(c) SEPARATE NOTIFICATION.—Each eligible lender shall, at the time such lender notifies a borrower of approval of a loan which is insured or guaranteed under this part, provide the borrower with a separate notification which summarizes, in simple and understandable terms, the rights and responsibilities of the borrower with respect to the loan, including a statement of the consequences of defaulting on the loan and a statement that each borrower who defaults will be reported to a consumer reporting agency. The requirement of this subsection shall be in addition to the information required by subsection (a) of this section.

"(d) SPECIAL DISCLOSURE RULES ON PLUS LOANS, AND UNSUBSIDIZED LOANS.—Loans made under sections 428B and 428H shall not be subject to the disclosure of projected monthly payment amounts required under subsection (b)(7) if the lender, in lieu of such disclosure, provides the borrower with sample projections of monthly repayment amounts, assuming different levels of borrowing and interest accruals resulting from capitalization of interest while the borrower, or the student on whose behalf the loan is made, is in school, in simple and understandable terms. Such sample projections shall disclose the cost to the borrower of—

"(1) capitalizing the interest; and

"(2) paying the interest as the interest accrues.

"(e) REQUIRED DISCLOSURES DURING REPAYMENT.—

"(1) PERTINENT INFORMATION ABOUT A LOAN PROVIDED ON A PERIODIC BASIS.—Each eligible lender shall provide the borrower of a loan made, insured, or guaranteed under this part with a bill or statement (as applicable) that corresponds to each payment installment time period in which a payment is due and that includes, in simple and understandable terms—

"(A) the original principal amount of the borrower's loan;

"(B) the borrower's current balance, as of the time of the bill or statement, as applicable;

"(C) the interest rate on such loan;

"(D) the total amount the borrower has paid in interest on the loan;

"(E) the aggregate amount the borrower has paid for the loan, including the amount the borrower has paid in interest, the amount the borrower has paid in fees, and the amount the borrower has paid against the balance;

"(F) a description of each fee the borrower has been charged for the most recently preceding installment time period;

"(G) the date by which the borrower needs to make a payment in order to avoid additional fees and the amount of such payment and the amount of such fees;

"(H) the lender's or loan servicer's address and toll-free phone number for payment and billing error purposes; and

"(I) a reminder that the borrower has the option to change repayment plans, a list of the names of the repayment plans available to the borrower, a link to the appropriate page of the Department's website to obtain a more detailed description of the repayment plans, and directions for the borrower to request a change in repayment plan.

"(2) INFORMATION PROVIDED TO A BORROWER HAVING DIFFICULTY MAKING PAYMENTS.—Each eligible lender shall provide to a borrower who has notified the lender that the borrower is having difficulty making payments on a loan made, insured, or guaranteed under this part with the following information in simple and understandable terms:

"(A) A description of the repayment plans available to the borrower, including how the borrower should request a change in repayment plan.

"(B) A description of the requirements for obtaining forbearance on a loan, including expected costs associated with forbearance.

"(C) A description of the options available to the borrower to avoid defaulting on the loan, and any relevant fees or costs associated with such options.

"(3) REQUIRED DISCLOSURES DURING DELINQUENCY.—Each eligible lender shall provide to a borrower who is 60 days delinquent in making payments on a loan made, insured, or guaranteed under this part with a notice, in simple and understandable terms, of the following:

"(A) The date on which the loan will default if no payment is made.

"(B) The minimum payment the borrower must make to avoid default.

"(C) A description of the options available to the borrower to avoid default, and any relevant fees or costs associated with such options, including a description of deferment and forbearance and the requirements to obtain each.

"(D) Discharge options to which the borrower may be entitled.

"(E) Additional resources, including nonprofit organizations, advocates, and counselors (including the Student Loan Ombudsman of the Department), of which the lender is aware, where the borrower can receive advice and assistance on loan repayment.

"(f) COST OF DISCLOSURE AND CONSEQUENCES OF NONDISCLOSURE.—

"(1) NO COST TO BORROWERS.—The information required under this section shall be available without cost to the borrower.

"(2) CONSEQUENCES OF NONDISCLOSURE.—The failure of an eligible lender to provide information as required by this section shall not—

"(A) relieve a borrower of the obligation to repay a loan in accordance with the loan's terms; or

"(B) provide a basis for a claim for civil damages.

"(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as subjecting the lender to the Truth in Lending Act with regard to loans made under this part.

"(4) ACTIONS BY THE SECRETARY.—The Secretary may limit, suspend, or terminate the continued participation of an eligible lender in making loans under this part for failure by that lender to comply with this section.".

(b) EFFECTIVE DATES.—

(1) REGULAR DISCLOSURE REQUIREMENTS AND DISCLOSURE REQUIREMENTS TO BORROWERS HAVING DIFFICULTY MAKING PAYMENTS.—Paragraphs (1) and (2) of section 433(e) of the Higher Education Act of 1965, as amended by subsection (a), shall apply with respect to loans for which the first payment is due on or after July 1, 2009.

(2) DISCLOSURE REQUIREMENTS FOR BORROWERS WITH DELINQUENT LOANS.—Section 433(e)(3) of the Higher Education Act of 1965, as amended by subsection (a), shall apply with respect to loans that become delinquent on or after July 1, 2009.

SEC. 435. CONSUMER EDUCATION INFORMATION.

Part B (20 U.S.C. 1071 et seq.) is amended by inserting after section 433 (20 U.S.C. 1083) the following:

"SEC. 433A. CONSUMER EDUCATION INFORMATION.

"(a) IN GENERAL.—Each guaranty agency participating in a program under this part, working with the institutions of higher education served by such guaranty agency, shall develop and make available high-quality educational programs and materials to provide training for students and families in budgeting and financial management, including debt management and other aspects of financial literacy, such as the cost of using high interest loans to pay for postsecondary education, particularly as budgeting and financial management relates to student loan programs authorized by this title. Such programs and materials shall be in formats that are simple and understandable to students and families, and shall be provided before, during, and after the students' enrollment in an institution of higher education. The activities described in this section shall be considered default reduction activities for the purposes of section 422.

"(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit—

"(1) a guaranty agency from using existing activities, programs, and materials in meeting the requirements of this section;

"(2) a guaranty agency from providing programs or materials similar to the programs or materials described in subsection (a) to an institution of higher education that provides loans exclusively through part D; or

"(3) a lender or loan servicer from providing outreach or financial aid literacy information in accordance with subsection (a).".

SEC. 436. DEFINITIONS OF ELIGIBLE INSTITUTION AND ELIGIBLE LENDER.

(a) PARTICIPATION RATE INDEX.—

(1) AMENDMENTS.—Section 435(a) (20 U.S.C. 1085(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking "paragraph (4)" and inserting "paragraph (5)"; and

(ii) in subparagraph (B)—

(I) by striking "and" at the end of clause (ii); and

(II) by striking clause (iii) and inserting the following:

"(iii) 25 percent for fiscal year 1994 through fiscal year 2011; and

"(iv) 30 percent for fiscal year 2012 and any succeeding fiscal year.";

(B) by redesignating paragraph (6) as paragraph (8), and redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively;

(C) by inserting after paragraph (2) the following new paragraph:

"(3) APPEALS FOR REGULATORY RELIEF.—An institution whose cohort default rate, calculated in accordance with subsection (m), is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for any two consecutive fiscal years may, not later than 30 days after the date the institution receives notification from the Secretary, file an appeal demonstrating exceptional mitigating circumstances, as defined in paragraph (5). The Secretary shall issue a decision on any such appeal not later than 45 days after the date of submission of the appeal. If the Secretary determines that the institution demonstrates exceptional mitigating circumstances, the Secretary may not subject the institution to provisional certification based solely on the institution's cohort default rate.";

(D) in paragraph (5)(A) (as redesignated by subparagraph (B)), by striking "For purposes of paragraph (2)(A)(ii)" and all that follows through "following criteria:" and inserting "For purposes of this subsection, an institution of higher education shall be treated as having exceptional mitigating circumstances that make application of paragraph (2) inequitable, and that provide for regulatory relief under paragraph (3), if such institution, in the opinion of an independent auditor, meets the following criteria:";

(E) by inserting after paragraph (6) (as redesignated by subparagraph (B)) the following:

"(7) DEFAULT PREVENTION AND ASSESSMENT OF ELIGIBILITY BASED ON HIGH DEFAULT RATES.—

"(A) FIRST YEAR.—

"(i) IN GENERAL.—An institution whose cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) in any fiscal year shall establish a default prevention task force to prepare a plan to—

"(I) identify the factors causing the institution's cohort default rate to exceed such threshold;

"(II) establish measurable objectives and the steps to be taken to improve the institution's cohort default rate; and

"(III) specify actions that the institution can take to improve student loan repayment, including appropriate counseling regarding loan repayment options.

"(ii) TECHNICAL ASSISTANCE.—Each institution subject to this subparagraph shall submit the plan under clause (i) to the Secretary, who shall review the plan and offer technical assistance to the institution to promote improved student loan repayment.

"(B) SECOND CONSECUTIVE YEAR.—

"(i) IN GENERAL.—An institution whose cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for two consecutive fiscal years, shall require the institution's default prevention task force established under subparagraph (A) to review and revise the plan required under such subparagraph, and shall submit such revised plan to the Secretary.

"(ii) REVIEW BY THE SECRETARY.—The Secretary shall review each revised plan submitted in accordance with this subparagraph, and may direct that such plan be amended to include actions, with measurable objectives, that the Secretary determines, based on available data and analyses of student loan defaults, will promote student loan repayment."; and

(F) in paragraph (8)(A) (as redesignated by subparagraph (B)) by striking "0.0375" and inserting "0.0625".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1)(F) shall take effect for fiscal years beginning on or after October 1, 2011.

(b) TYPES OF LENDERS.—Section 435(d)(1)(A)(ii) (20 U.S.C. 1085(d)(1)(A)(ii)) is amended—

(1) by striking "part, or (III)" and inserting "part, (III)"; and

(2) by inserting before the semicolon at the end the following: ", or (IV) it is a National or State chartered bank, or a credit union, with assets of less than $1,000,000,000".

(c) DISQUALIFICATION.—Paragraph (5) of section 435(d) (20 U.S.C. 1085(d)(5)) is amended to read as follows:

"(5) DISQUALIFICATION FOR USE OF CERTAIN INCENTIVES.—The term 'eligible lender' does not include any lender that the Secretary determines, after notice and opportunity for a hearing, has—

"(A) offered, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel, entertainment expenses, tuition payment or

reimbursement, the provision of information technology equipment at below-market value, additional financial aid funds, or other inducements, to any institution of higher education or any employee of an institution of higher education in order to secure applicants for loans under this part;

"(B) conducted unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary schools or postsecondary institutions, or to family members of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans under this part from such lender;

"(C) entered into any type of consulting arrangement, or other contract to provide services to a lender, with an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution;

"(D) compensated an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution, and who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except that the eligible lender may reimburse such employee for reasonable expenses incurred in providing such service;

"(E) performed for an institution of higher education any function that such institution of higher education is required to perform under this title, except that a lender shall be permitted to perform functions on behalf of such institution in accordance with section 485(b);

"(F) paid, on behalf of an institution of higher education, another person to perform any function that such institution of higher education is required to perform under this title, except that a lender shall be permitted to perform functions on behalf of such institution in accordance with section 485(b);

"(G) provided payments or other benefits to a student at an institution of higher education to act as the lender's representative to secure applications under this title from individual prospective borrowers, unless such student—

"(i) is also employed by the lender for other purposes; and

"(ii) made all appropriate disclosures regarding such employment;

"(H) offered, directly or indirectly, loans under this part as an inducement to a prospective borrower to purchase a policy of insurance or other product; or

"(I) engaged in fraudulent or misleading advertising. It shall not be a violation of this paragraph for a lender to provide technical assistance to institutions of higher education comparable to the kinds of technical assistance provided to institutions of higher education by the Department.".

(d) SCHOOL AS LENDER PROGRAM AUDIT.—Section 435(d) (20 U.S.C. 1085(d)) is further amended by adding at the end the following:

"(8) SCHOOL AS LENDER PROGRAM AUDIT.—Each institution serving as an eligible lender under paragraph (1)(E), and each eligible lender serving as a trustee for an institution of higher education or an organization affiliated with an institution of higher education, shall annually complete and submit to the Secretary a compliance audit to determine whether—

"(A) the institution or lender is using all proceeds from special allowance payments and interest payments from borrowers, interest subsidies received from the Department, and any proceeds from the sale or other disposition of loans, for need-based grant programs, in accordance with paragraph (2)(A)(viii);

"(B) the institution or lender is using not more than a reasonable portion of the proceeds described in paragraph (2)(A)(viii) for direct administrative expenses; and

"(C) the institution or lender is ensuring that the proceeds described in paragraph (2)(A)(viii) are being used to supplement, and not to supplant, Federal and non-Federal funds that would otherwise be used for need-based grant programs.".

(e) COHORT DEFAULT RATES.—

(1) AMENDMENTS.—Section 435(m) (20 U.S.C. 1085(m)) is amended—

(A) in paragraph (1)—

(i) in the first sentence of subparagraph (A), by striking "end of the following fiscal year" and inserting "end of the second fiscal year following the fiscal year in which the students entered repayment";

(ii) in subparagraph (B), by striking "such fiscal year" and inserting "such second fiscal year";

(iii) in subparagraph (C), by striking "end of the fiscal year immediately following the year in which they entered repayment" and inserting "end of the second fiscal year following the year in which they entered repayment";

(B) in paragraph (2)(C)—

(i) by striking "end of such following fiscal year is not considered as in default for the purposes of this subsection" and inserting "end of the second fiscal year following the year in which the loan entered repayment is not considered as in default for purposes of this subsection"; and

(ii) by striking "such following fiscal year" and inserting "such second fiscal year"; and

(C) in paragraph (4)—

(i) by amending the paragraph heading to read as follows: "COLLECTION AND REPORTING OF COHORT DEFAULT RATES AND LIFE OF COHORT DEFAULT RATES.—"; and

(ii) by amending subparagraph (A) to read as follows:

"(A) The Secretary shall publish not less often than once every fiscal year a report showing cohort default data and life of cohort default rates for each category of institution,

including: (i) four-year public institutions; (ii) four-year private nonprofit institutions; (iii) two-year public institutions; (iv) two-year private nonprofit institutions; (v) four-year proprietary institutions; (vi) two-year proprietary institutions; and (vii) less than two-year proprietary institutions. For purposes of this subparagraph, for any fiscal year in which one or more current and former students at an institution enter repayment on loans under section 428, 428B, or 428H, received for attendance at the institution, the Secretary shall publish the percentage of those current and former students who enter repayment on such loans (or on the portion of a loan made under section 428C that is used to repay any such loans) received for attendance at the institution in that fiscal year who default before the end of each succeeding fiscal year.".

(2) EFFECTIVE DATE AND TRANSITION.—

(A) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect for purposes of calculating cohort default rates for fiscal year 2009 and succeeding fiscal years.

(B) TRANSITION.—Notwithstanding subparagraph (A), the method of calculating cohort default rates under section 435(m) of the Higher Education Act of 1965 as in effect on the day before the date of enactment of this Act shall continue in effect, and the rates so calculated shall be the basis for any sanctions imposed on institutions of higher education because of their cohort default rates, until three consecutive years of cohort default rates calculated in accordance with the amendments made by paragraph (1) are available.

SEC. 437. DISCHARGE AND CANCELLATION RIGHTS IN CASES OF DISABILITY.

(a) FFEL AND DIRECT LOANS.—Section 437(a) (20 U.S.C. 1087(a)) is amended—

(1) by striking "(a) REPAYMENT IN FULL FOR DEATH AND DISABILITY.—If a" and inserting the following:

"(a) REPAYMENT IN FULL FOR DEATH AND DISABILITY.—

"(1) IN GENERAL.—If a";

(2) by inserting ", or if a student borrower who has received such a loan is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months" after "of the Secretary),"; and

(3) by adding at the end the following: "The Secretary may develop such safeguards as the Secretary determines necessary to prevent fraud and abuse in the discharge of liability under this subsection. Notwithstanding any other provision of this subsection, the Secretary may promulgate regulations to reinstate the obligation of, and resume collection on, loans discharged under this subsection in any case in which—

"(A) a borrower received a discharge of liability under this subsection and after the discharge the borrower—

"(i) receives a loan made, insured, or guaranteed under this title; or

"(ii) has earned income in excess of the poverty line; or

"(B) the Secretary determines necessary.".

(b) DISABILITY DETERMINATIONS.—Section 437(a) (20 U.S.C. 1087(a)) is further amended by adding at the end the following:

"(2) DISABILITY DETERMINATIONS.—A borrower who has been determined by the Secretary of Veterans Affairs to be unemployable due to a service-connected condition and who provides documentation of such determination to the Secretary of Education, shall be considered permanently and totally disabled for the purpose of discharging such borrower's loans under this subsection, and such borrower shall not be required to present additional documentation for purposes of this subsection.".

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2010.

SEC. 438. CONFORMING AMENDMENTS FOR REPEAL OF SECTION 439.

(a) PART B AMENDMENTS.—Part B of title IV (20 U.S.C. 1071 et seq.) is amended—

(1) in section 422A(d)(1) (20 U.S.C. 1072a(d)(1)), by striking "437, and 439(q)" and inserting "and 437";

(2) in section 428 (20 U.S.C. 1078)—

(A) in subsection (b)(1)(G)(i), by striking "or 439(q)";

(B) by striking subsection (h); and

(C) in subsection (j)(2)—

(i) by inserting "and" at the end of subparagraph (C);

(ii) by striking "; and" at the end of subparagraph (D) and inserting a period; and

(iii) by striking subparagraph (E); and

(3) in section 435(d)(1)(G) (20 U.S.C. 1085(d)(1)(G)), by striking "428C, and 439(q)," and inserting "and 428C,".

(b) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(s)(4)(C)(ii)(I) of the Federal Deposit Insurance Act (12 U.S.C. 1828(s)(4)(C)(ii)(I)) is amended by striking "as amended" and inserting "as such section existed on the day before the date of the repeal of such section".

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. AUTHORIZATION OF APPROPRIATIONS.

Section 441 (42 U.S.C. 2751) is amended—

(1) in subsection (b), by striking "$1,000,000,000 for fiscal year 1999" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years."; and

(2) in subsection (c)(1), by inserting "emergency preparedness and response," after "public safety,".

SEC. 442. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 442(c)(4)(D) (42 U.S.C. 2752(c)(4)(D)) is amended by striking "$450" and inserting "$600".

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443 (42 U.S.C. 2753) is amended—

(1) in subsection (b)(2)—

(A) by striking subparagraph (A); and

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(2) by adding at the end the following new subsection:

"(e) CIVIC EDUCATION AND PARTICIPATION ACTIVITIES.—

"(1) USE OF FUNDS.—Funds granted to an institution under this section may be used in accordance with such subsection to compensate (including compensation for time spent in training and travel directly related to civic education and participation activities) students employed in projects that—

"(A) teach civics in schools;

"(B) raise awareness of government functions or resources; or

"(C) increase civic participation.

"(2) PRIORITY FOR SCHOOLS.—To the extent practicable, an institution shall—

"(A) give priority to the employment of students participating in projects that educate or train the public about evacuation, emergency response, and injury prevention strategies relating to natural disasters, acts of terrorism, and other emergency situations; and

"(B) ensure that any student compensated with the funds described in paragraph (1) receives appropriate training to carry out the educational services required.

"(3) FEDERAL SHARE.—The Federal share of the compensation of work-study students compensated under this subsection may exceed 75 percent.".

SEC. 444. FLEXIBLE USE OF FUNDS.

Section 445 (42 U.S.C. 2755) is amended by adding at the end the following new subsection:

"(d) FLEXIBILITY IN THE EVENT OF A MAJOR DISASTER.—

"(1) IN GENERAL.—In the event of a major disaster, an eligible institution located in any area affected by such major disaster, as determined by the Secretary, may make payments under this part to disaster-affected students, for the period of time (not to exceed one academic year) in which the disaster-affected students were prevented from fulfilling the students' work-study obligations as described in paragraph (2)(A)(iii), as follows:

"(A) Payments may be made under this part to disaster-affected students in an amount equal to or less than the amount of wages such students would have been paid under this part had the students been able to complete the work obligation necessary to receive work study funds.

"(B) Payments shall not be made to any student who was not eligible for work study or was not completing the work obligation necessary to receive work study funds under this part prior to the occurrence of the major disaster.

"(C) Any payments made to disaster-affected students under this subsection shall meet the matching requirements of section 443, unless such matching requirements are waived by the Secretary.

"(2) DEFINITIONS.—In this subsection:

"(A) The term 'disaster-affected student' means a student enrolled at an eligible institution who—

"(i) received a work-study award under this section for the academic year during which a major disaster occurred;

"(ii) earned Federal work-study wages from such eligible institution for such academic year;

"(iii) was prevented from fulfilling the student's work-study obligation for all or part of such academic year due to such major disaster; and

"(iv) was unable to be reassigned to another work-study job.

"(B) The term 'major disaster' has the meaning given such term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).".

SEC. 445. JOB LOCATION AND DEVELOPMENT PROGRAMS.

Section 446(a)(1) (42 U.S.C. 2756(a)(1)) is amended by striking "$50,000" and inserting "$75,000".

SEC. 446. ADDITIONAL FUNDS FOR OFF-CAMPUS COMMUNITY SERVICE.

Section 447 (42 U.S.C. 2756a) is amended—

(1) by striking "Each institution participating" and inserting "(a) COMMUNITY SERVICE-LEARNING.—Each institution participating"; and

(2) by adding at the end the following new subsection: "(b) OFF-CAMPUS COMMUNITY SERVICE.—

"(1) GRANTS AUTHORIZED.—In addition to funds made available under section 443(b)(2)(A), the Secretary is authorized to award grants to institutions participating under this part to supplement off-campus community service employment.

"(2) USE OF FUNDS.—An institution shall ensure that funds granted to such institution under this subsection are used in accordance with section 443(b)(2)(A) to recruit and compensate students (including compensation for time spent in training and for travel directly related to such community service).

"(3) PRIORITY.—In awarding grants under this subsection, the Secretary shall give priority to applications that support postsecondary students assisting with early childhood education activities and activities in preparation for emergencies and natural disasters.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 447. WORK COLLEGES.

Section 448 (42 U.S.C. 2756b) is amended—

(1) by striking "work-learning" each place it appears and inserting "work-learning-service";

(2) by striking subsection (e) and inserting the following: "(e) DEFINITIONS.—For the purpose of this section—

"(1) the term 'work college' means an eligible institution that—

"(A) has been a public or private nonprofit, four-year, degree-granting institution with a commitment to community service;

"(B) has operated a comprehensive work-learning-service program for at least two years;

"(C) requires students, including at least one-half of all students who are enrolled on a full-time basis, to participate in a comprehensive work-learning-service program for at least five hours each week, or at least 80 hours during each period of enrollment, except summer school, unless the student is engaged in an institutionally organized or approved study abroad or externship program; and

"(D) provides students participating in the comprehensive work-learning-service program with the opportunity to contribute to their education and to the welfare of the community as a whole; and

"(2) the term 'comprehensive student work-learning-service program' means a student work-learning-service program that—

"(A) is an integral and stated part of the institution's educational philosophy and program;

"(B) requires participation of all resident students for enrollment and graduation;

"(C) includes learning objectives, evaluation, and a record of work performance as part of the student's college record;

"(D) provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

"(E) recognizes the educational role of work-learning-service supervisors; and

"(F) includes consequences for nonperformance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program."; and

(3) in subsection (f), by striking "$5,000,000" and all that follows through the period and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

PART D—FEDERAL DIRECT STUDENT LOAN

SEC. 451. TERMS AND CONDITIONS OF LOANS.

(a) INCOME-BASED REPAYMENT.—Section 455(d)(1) (20 U.S.C. 1087e(d)(1)) is amended—

(1) in subparagraph (C), by striking "and" after the semicolon;

(2) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(E) beginning on July 1, 2009, an income-based repayment plan that enables borrowers who have a partial financial hardship to make a lower monthly payment in accordance with section 493C, except that the plan described in this subparagraph shall not be available to the borrower of a Federal Direct PLUS Loan made on behalf of a dependent student or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on such Federal Direct PLUS Loan or a loan

under section 428B made on behalf of a dependent student.".

(b) PUBLIC SERVICE JOB DEFINITION.—

(1) IN GENERAL.—Section 455(m)(3)(B) (20 U.S.C. 1087e(m)(3)(B)) is amended to read as follows:

"(B) PUBLIC SERVICE JOB.—The term 'public service job' means—

"(i) a full-time job in emergency management, government (excluding time served as a member of Congress), military service, public safety, law enforcement, public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations, as such terms are defined by the Bureau of Labor Statistics), public education, social work in a public child or family service agency, public interest law services (including prosecution or public defense or legal advocacy on behalf of low-income communities at a nonprofit organization), early childhood education (including licensed or regulated childcare, Head Start, and State funded prekindergarten), public service for individuals with disabilities, public service for the elderly, public library sciences, school-based library sciences and other school-based services, or at an organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

"(ii) teaching as a full-time faculty member at a Tribal College or University as defined in section 316(b) and other faculty teaching in high-needs subject areas or areas of shortage (including nurse faculty, foreign language faculty, and part-time faculty at community colleges), as determined by the Secretary.".

(2) INELIGIBILITY FOR DOUBLE BENEFITS.—Section 455(m) (20 U.S.C. 1087e(m)) is further amended by adding at the end the following:

"(4) INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may, for the same service, receive a reduction of loan obligations under both this subsection and section 428J, 428K, 428L, or 460.".

(c) IDENTITY FRAUD PROTECTION.—Section 455 (as amended by this section) (20 U.S.C. 1087e) is amended by adding at the end the following:

"(n) IDENTITY FRAUD PROTECTION.—The Secretary shall take such steps as may be necessary to ensure that monthly Federal Direct Loan statements and other publications of the Department do not contain more than four digits of the Social Security number of any individual.".

(d) NO ACCRUAL OF INTEREST FOR ACTIVE DUTY SERVICE MEMBERS.—Section 455 (as amended by this section) (20 U.S.C. 1087e) is further amended by adding at the end the following:

"(o) NO ACCRUAL OF INTEREST FOR ACTIVE DUTY SERVICE MEMBERS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this part and in accordance with paragraphs (2) and (4), interest shall not accrue for an eligible military borrower on a loan

made under this part for which the first disbursement is made on or after October 1, 2008.

"(2) CONSOLIDATION LOANS.—In the case of any consolidation loan made under this part that is disbursed on or after October 1, 2008, interest shall not accrue pursuant to this subsection only on such portion of such loan as was used to repay a loan made under this part for which the first disbursement is made on or after October 1, 2008.

"(3) ELIGIBLE MILITARY BORROWER.—In this subsection, the term 'eligible military borrower' means an individual who—

"(A)(i) is serving on active duty during a war or other military operation or national emergency; or

"(ii) is performing qualifying National Guard duty during a war or other military operation or national emergency; and

"(B) is serving in an area of hostilities in which service qualifies for special pay under section 310 of title 37, United States Code.

"(4) LIMITATION.—An individual who qualifies as an eligible military borrower under this subsection may receive the benefit of this subsection for not more than 60 months.".

(e) DISCLOSURES.—Section 455 (as amended by this section) (20 U.S.C. 1087e) is further amended by adding at the end the following:

"(p) DISCLOSURES.—Each institution of higher education with which the Secretary has an agreement under section 453, and each contractor with which the Secretary has a contract under section 456, shall, with respect to loans under this part and in accordance with such regulations as the Secretary shall prescribe, comply with each of the requirements under section 433 that apply to a lender with respect to a loan under part B.".

SEC. 452. FUNDS FOR ADMINISTRATIVE EXPENSES.

Section 458(a) (20 U.S.C. 1087h(a)) is amended—

(1) in paragraph (2)—

(A) in the heading of such paragraph, by striking "2011" and inserting "2014"; and

(B) by striking "2011" and inserting "2014"; and

(2) in paragraph (3), by striking "2011" and inserting "2014".

SEC. 453. GUARANTY AGENCY RESPONSIBILITIES AND PAYMENTS; REPORTS AND COST ESTIMATES.

Section 459A of the Higher Education Act of 1965 (20 U.S.C. 1087i–1) is amended—

(1) by redesignating subsection (d) as subsection (f); and

(2) by inserting after subsection (c) the following:

"(d) GUARANTY AGENCY RESPONSIBILITIES AND PAYMENTS.—Notwithstanding any other provision of this Act, beginning on the date on which the Secretary purchases a loan under this section—

"(1) the guaranty agency that insured such loan shall cease to have any obligations, responsibilities, or rights (including rights to any payment) under this Act for any activity related to the administration of such loan that is carried out or required to be carried out on or after the date of such purchase; and

"(2) the insurance issued by such agency pursuant to section 428(b) for such loan shall cease to be effective with respect

to any default on such loan that occurs on or after the date of such purchase.

"(e) REPORTS AND COST ESTIMATES.—The Secretary shall prepare, transmit to the authorizing committees, and make available to the public, the following:

"(1) QUARTERLY REPORTS.—

"(A) CONTENTS.—Not later than 60 days after the end of each quarter during the period beginning July 1, 2008, and ending September 30, 2009, a quarterly report on—

"(i) the number of loans the Secretary has agreed to purchase, or has purchased, using the authority provided under this section, and the total amount of outstanding principal and accrued interest of such loans, during such period; and

"(ii) the number of loans in which the Secretary has purchased a participation interest, and the total amount of outstanding principal and accrued interest of such loans, during such period.

"(B) DISAGGREGATED INFORMATION.—For each quarterly report, the information described in clauses (i) and (ii) of subparagraph (A) shall be disaggregated by lender and, for each lender, by category of institution (using the categories described in section 132(d)) and type of loan.

"(2) ESTIMATES OF PURCHASE PROGRAM COSTS.—Not later than February 15, 2010, an estimate of the costs associated with the program of purchasing loans described in paragraph (1)(A)(i) during the period beginning July 1, 2008, and ending September 30, 2009, and an estimate of the costs associated with the program of purchasing a participation interest in loans described in paragraph (1)(A)(ii) during such period. Each such estimate shall—

"(A) contain the same level of detail, and be reported in a similar manner, as the budget estimates provided for the loan program under part B and the direct student loan program under this part in the President's annual budget submission to Congress, except that current and future administrative costs shall also be reported;

"(B) include an estimate of the gross and net outlays that have been, or will be, incurred by the Federal Government (including subsidy and administrative costs, and any payments made by the Department to lenders, trusts, or other entities related to such activities) in purchasing such loans or purchasing a participation interest in such loans during such period (as applicable); and

"(C) include a comparison of—

"(i) the average amount of the gross and net outlays (including costs and payments) described in subparagraph (B) for each $100 of loans purchased or for which a participation interest was purchased (as applicable) during such period, disaggregated by type of loan; with

"(ii) the average amount of such gross and net outlays (including costs and payments) to the Federal Government for each $100 of comparable loans made under this part and part B during such period, disaggregated by part and by type of loan.

"(3) ANNUAL COST ESTIMATES.—Not later than February 15 of the fiscal year following each of the fiscal years 2008, 2009, and 2010, an annual estimate of the costs associated with the program of purchasing loans described in paragraph (1)(A)(i), and an annual estimate of the costs associated with the program of purchasing a participation interest in loans described in paragraph (1)(A)(ii), that includes the information described in paragraph (2) for such fiscal year.".

SEC. 454. LOAN CANCELLATION FOR TEACHERS.

(a) IN GENERAL.—Section 460 (20 U.S.C. 1087j) is amended—

(1) in subsection (b)(1)(A)(i)—

(A) by inserting "or location" after "a school"; and

(B) by inserting "or locations" after "schools"; and

(2) in subsection (c)(3)(B)(iii), by inserting "or, in the case of a teacher who is employed by an educational service agency, as certified by the chief administrative officer of such agency," after "borrower is employed,".

(b) PREVENTION OF DOUBLE BENEFITS.—Section 460(g)(2) (20 U.S.C. 1087j(g)(2)) is amended to read as follows:

"(2) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same voluntary service, receive a benefit under both this section and—

"(A) section 428J;

"(B) section 428K;

"(C) section 455(m); or

"(D) subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.).".

(c) TECHNICAL AMENDMENTS.—Section 460(b) (as amended by subsection (a)(1)) (20 U.S.C. 1087j(b)) is further amended—

(1) by striking paragraph (2);

(2) by striking "PROGRAM AUTHORIZED.—" and all that follows through "The Secretary shall" and inserting "PROGRAM AUTHORIZED.—The Secretary shall";

(3) by redesignating subparagraph (B) as paragraph (2), and adjusting the margin accordingly; and

(4) by redesignating subparagraph (A) as paragraph (1), by redesignating clauses (i) and (ii) of such paragraph (as so redesignated) as subparagraphs (A) and (B), respectively, and by adjusting the margins accordingly.

(d) CONFORMING AMENDMENTS.—Section 460 (20 U.S.C. 1087j) is further amended—

(1) in subsection (c)(1), by striking "(b)(1)(A)" and inserting "(b)(1)";

(2) in subsection (c)(3)—

(A) in subparagraph (A)(i), by striking "(b)(1)" and inserting "(b)"; and

(B) in subparagraph (B)(i), by striking "(b)(1)" and inserting "(b)"; and

(3) in subsection (g)(3), by striking "(b)(1)(A)(ii)" and inserting "(b)(1)(B)".

PART E—FEDERAL PERKINS LOANS

SEC. 461. EXTENSION OF AUTHORITY.

Section 461(b) (20 U.S.C. 1087aa(b)) is amended—

(1) in paragraph (1), by striking "$250,000,000 for fiscal year 1999" and all that follows through the period and inserting "$300,000,000 for fiscal year 2009 and for each of the five succeeding fiscal years."; and

(2) in paragraph (2), by striking "2003" each place it appears and inserting "2015".

SEC. 462. ALLOWANCE FOR BOOKS AND SUPPLIES.

Section 462(c)(4)(D) (20 U.S.C. 1087bb(c)(4)(D)) is amended by striking "$450" and inserting "$600".

SEC. 463. AGREEMENTS WITH INSTITUTIONS.

(a) TRANSFERS FOR COLLECTION.—Section 463(a)(4)(B) (20 U.S.C. 1087cc(a)(4)(B)) is amended to read as follows:

"(B) if the institution is not one described in subparagraph (A), the Secretary may allow such institution to refer such note or agreement to the Secretary, without recompense, except that, once every six months, any sums collected on such a loan (less an amount not to exceed 30 percent of any such sums collected to cover the Secretary's collection costs) shall be repaid to such institution and treated as an additional capital contribution under section 462;".

(b) REVISE AUTHORITY TO PRESCRIBE ADDITIONAL FISCAL CONTROLS.—Section 463(a)(9) (20 U.S.C. 1087cc(a)(9)) is amended by inserting ", except that nothing in this paragraph shall be construed to permit the Secretary to require the assignment of loans to the Secretary other than as is provided for in paragraphs (4) and (5)" before the period.

SEC. 464. PERKINS LOAN TERMS AND CONDITIONS.

(a) LOAN LIMITS.—Section 464(a) (20 U.S.C. 1087dd(a)) is amended—

(1) in paragraph (2)(A)—

(A) by striking "$4,000" in clause (i) and inserting "$5,500"; and

(B) by striking "$6,000" in clause (ii) and inserting "$8,000"; and

(2) in paragraph (2)(B)—

(A) by striking "$40,000" in clause (i) and inserting "$60,000";

(B) by striking "$20,000" in clause (ii) and inserting "$27,500"; and

(C) by striking "$8,000" in clause (iii) and inserting "$11,000".

(b) DISCHARGE AND CANCELLATION RIGHTS IN CASES OF DISABILITY.—

(1) AMENDMENT.—Section 464 (20 U.S.C. 1087dd(c)) is further amended—

(A) in subsection (c)(1)(F), by striking "canceled upon the death" and all that follows through the semicolon and inserting "cancelled—

"(i) upon the death of the borrower;

"(ii) if the borrower becomes permanently and totally disabled as determined in accordance with regulations of the Secretary;

"(iii) if the borrower is unable to engage in any substantial gainful activity by reason of any medically

determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months; or

"(iv) if the borrower is determined by the Secretary of Veterans Affairs to be unemployable due to a service-connected disability;"; and

(B) by adding at the end the following:

"(k) The Secretary may develop such additional safeguards as the Secretary determines necessary to prevent fraud and abuse in the cancellation of liability under subsection (c)(1)(F). Notwithstanding subsection (c)(1)(F), the Secretary may promulgate regulations to resume collection on loans cancelled under subsection (c)(1)(F) in any case in which—

"(1) a borrower received a cancellation of liability under subsection (c)(1)(F) and after the cancellation the borrower—

"(A) receives a loan made, insured, or guaranteed under this title; or

"(B) has earned income in excess of the poverty line; or

"(2) the Secretary determines necessary.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on July 1, 2008.

(c) FORBEARANCE.—Section 464 (20 U.S.C. 1087dd) is further amended—

(1) in subsection (e)—

(A) in the matter preceding paragraph (1), by striking ", upon written request," and inserting ", as documented in accordance with paragraph (2),";

(B) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(C) by inserting "(1)" after "FORBEARANCE.—"; and

(D) by adding at the end the following:

"(2) For the purpose of paragraph (1), the terms of forbearance agreed to by the parties shall be documented by—

"(A) confirming the agreement of the borrower by notice to the borrower from the institution of higher education; and

"(B) recording the terms in the borrower's file.";

(2) in subsection (h)(1)(A), by striking "12 ontime" and inserting "9 on-time"; and

(3) in subsection (j)(2), by striking "(e)(3)" and inserting "(e)(1)(C)".

SEC. 465. CANCELLATION FOR PUBLIC SERVICE.

Section 465(a) (20 U.S.C. 1087ee(a)) is amended—

(1) in paragraph (2)—

(A) by striking subparagraph (A) and inserting the following:

"(A) as a full-time teacher for service in an academic year (including such a teacher employed by an educational service agency)—

"(i) in a public or other nonprofit private elementary school or secondary school, which, for the purpose of this paragraph and for that year—

"(I) has been determined by the Secretary (pursuant to regulations of the Secretary and after consultation with the State educational agency of the State in which the school is located) to be a school in which the number of children meeting a measure of poverty under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965, exceeds 30 percent of the total number of children enrolled in such school; and

"(II) is in the school district of a local educational agency which is eligible in such year for assistance pursuant to part A of title I of the Elementary and Secondary Education Act of 1965; or

"(ii) in one or more public, or nonprofit private, elementary schools or secondary schools or locations operated by an educational service agency that have been determined by the Secretary (pursuant to regulations of the Secretary and after consultation with the State educational agency of the State in which the educational service agency operates) to be a school or location at which the number of children taught who meet a measure of poverty under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965, exceeds 30 percent of the total number of children taught at such school or location;";

(B) in subparagraph (B), by striking "Head Start Act which" and inserting "Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that";

(C) in subparagraph (C), by inserting ", including a system administered by an educational service agency" after "secondary school system";

(D) by striking subparagraph (F) and inserting the following:

"(F) as a full-time law enforcement officer or corrections officer for service to local, State, or Federal law enforcement or corrections agencies, or as a full-time attorney employed in a defender organization established in accordance with section 3006A(g)(2) of title 18, United States Code;";

(E) in subparagraph (H), by striking "or" after the semicolon;

(F) in subparagraph (I), by striking the period and inserting a semicolon; and

(G) by inserting before the matter following subparagraph (I) the following:

"(J) as a full-time fire fighter for service to a local, State, or Federal fire department or fire district;

"(K) as a full-time faculty member at a Tribal College or University, as that term is defined in section 316;

"(L) as a librarian, if the librarian has a master's degree in library science and is employed in—

"(i) an elementary school or secondary school that is eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965; or

"(ii) a public library that serves a geographic area that contains one or more schools eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965; or

"(M) as a full-time speech language pathologist, if the pathologist has a masters degree and is working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Act of 1965."; and

(2) in paragraph (3)(A)—

(A) in clause (i)—

(i) by inserting "(D)," after "(C),"; and

(ii) by striking "or (I)" and inserting "(I), (J), (K), (L), or (M)";

(B) in clause (ii), by inserting "or" after the semicolon;

(C) by striking clause (iii); and

(D) by redesignating clause (iv) as clause (iii).

SEC. 466. SENSE OF CONGRESS REGARDING FEDERAL PERKINS LOANS.

It is the sense of Congress that the Federal Perkins Loan Program, which provides low-interest loans to help needy students finance the costs of postsecondary education, is an important part of Federal student aid, and should remain a campus-based aid program at colleges and universities.

PART F—NEED ANALYSIS

SEC. 471. COST OF ATTENDANCE.

(a) AMENDMENTS.—Section 472(3) (20 U.S.C. 1087ll(3)) is amended—

(1) in subparagraph (B), by striking "and" after the semicolon;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B), as amended by paragraph (1), the following:

"(C) for students who live in housing located on a military base or for which a basic allowance is provided under section 403(b) of title 37, United States Code, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room; and".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2010.

SEC. 472. DISCRETION TO MAKE ADJUSTMENTS.

(a) AMENDMENTS.—Section 479A(a) (as amended by Public Law 110–84) (20 U.S.C. 1087tt(a)) is amended—

(1) by striking "medical or dental expenses" and inserting "medical, dental, or nursing home expenses";

(2) by inserting "or dependent care" after "child care";

(3) by inserting "student or" before "family member who is a dislocated worker"; and

(4) by striking the second to last sentence and inserting the following: "In addition, nothing in this title shall be interpreted as limiting the authority of the student financial aid administrator in such cases (1) to request and use supplementary information about the financial status or personal circumstances of eligible applicants in selecting recipients and determining the amount of awards under this title, or (2) to offer a dependent student financial assistance under section 428H or a Federal Direct Unsubsidized Stafford Loan without requiring the parents of such student to file the financial aid form prescribed under section 483 if the student financial aid

administrator verifies that the parent or parents of such student have ended financial support of such student and refuse to file such form.".

(b) EFFECTIVE DATE AMENDMENT TO THE COLLEGE COST REDUCTION AND ACCESS ACT.—Section 603(b) of the College Cost Reduction and Access Act (Public Law 110–84) is amended by striking "July 1, 2009" and inserting "the date of enactment of the Higher Education Opportunity Act".

SEC. 473. DEFINITIONS.

(a) TOTAL INCOME.—Section 480(a) (as amended by Public Law 110–84) (20 U.S.C. 1087vv(a)) is amended—

(1) in paragraph (1)—

(A) by inserting "(A)" after "(1)";

(B) by inserting "subparagraph (B) and" after "provided in"; and

(C) by adding at the end the following new subparagraph:

"(B) Notwithstanding section 478(a), the Secretary may provide for the use of data from the second preceding tax year when and to the extent necessary to carry out the simplification of applications (including simplification for a subset of applications) used for the estimation and determination of financial aid eligibility. Such simplification may include the sharing of data between the Internal Revenue Service and the Department, pursuant to the consent of the taxpayer."; and

(2) in paragraph (2), by inserting "no portion of veterans' education benefits received by an individual," after "any program by an individual,".

(b) UNTAXED INCOME AND BENEFITS.—Section 480(b)(1)(E) (as amended by Public Law 110–84) (20 U.S.C. 1087vv(b)(1)(E)) is amended by inserting ", except that the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, United States Code, received by the parents, in the case of a dependent student, or the student or student's spouse, in the case of an independent student, shall be excluded" before the semicolon.

(c) INDEPENDENT STUDENT.—Section 480(d)(1) (as amended by Public Law 110–84) (20 U.S.C. 1087vv(d)(1)) is amended—

(1) by striking subparagraph (B) and inserting the following:

"(B) is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;"; and

(2) by striking subparagraph (C) and inserting the following:

"(C) is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;".

(d) TREATMENT OF COOPERATIVE EDUCATION WORK INCOME.—Section 480(e) (as amended by Public Law 110–84) (20 U.S.C. 1087vv(e)) is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) any income earned from work under a cooperative education program offered by an institution of higher education;".

(e) OTHER FINANCIAL ASSISTANCE.—Section 480(j)(1) (20 U.S.C. 1087vv(j)(1)) is amended—

(1) by striking "veterans' education benefits as defined in subsection (c), and"; and

(2) by inserting before the period at the end the following: ", but excluding veterans' education benefits as defined in subsection (c)".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2010.

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

SEC. 481. DEFINITIONS.

Section 481 (20 U.S.C. 1088) is amended—

(1) in subsection (a)(2)(B), by inserting "and that measures program length in credit hours or clock hours" after "baccalaureate degree"; and

(2) by adding at the end the following:

"(e) CONSUMER REPORTING AGENCY.—For purposes of this title, the term 'consumer reporting agency' has the meaning given the term 'consumer reporting agency that compiles and maintains files on consumers on a nationwide basis' in Section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)).

"(f) DEFINITION OF EDUCATIONAL SERVICE AGENCY.—For purposes of parts B, D, and E, the term 'educational service agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.".

SEC. 482. MASTER CALENDAR.

(a) AMENDMENT.—Section 482 (20 U.S.C. 1089) is amended—

(1) in subsection (a)(1), by striking subparagraphs (B) and (C) and inserting the following:

"(B) by March 1: proposed modifications, updates, and notices pursuant to sections 478 and 483(a)(5) published in the Federal Register;

"(C) by June 1: final modifications, updates, and notices pursuant to sections 478 and 483(a)(5) published in the Federal Register;"; and

(2) by adding at the end the following:

"(e) COMPLIANCE CALENDAR.—Prior to the beginning of each award year, the Secretary shall provide to institutions of higher education a list of all the reports and disclosures required under this Act. The list shall include—

"(1) the date each report or disclosure is required to be completed and to be submitted, made available, or disseminated;

"(2) the required recipients of each report or disclosure;

"(3) any required method for transmittal or dissemination of each report or disclosure;

"(4) a description of the content of each report or disclosure sufficient to allow the institution to identify the appropriate

individuals to be assigned the responsibility for such report or disclosure;

"(5) references to the statutory authority, applicable regulations, and current guidance issued by the Secretary regarding each report or disclosure; and

"(6) any other information which is pertinent to the content or distribution of the report or disclosure.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall take effect on July 1, 2010.

SEC. 483. IMPROVEMENTS TO PAPER AND ELECTRONIC FORMS AND PROCESSES.

(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—Section 483 (20 U.S.C. 1090) is amended—

(1) in subsection (a), by striking paragraphs (1) through (7) and inserting the following:

"(1) IN GENERAL.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used for application and reapplication to determine the need and eligibility of a student for financial assistance under parts A through E (other than subpart 4 of part A). The forms shall be made available to applicants in both paper and electronic formats and shall be referred to as the 'Free Application for Federal Student Aid' or the 'FAFSA'. The Secretary shall work to make the FAFSA consumer-friendly and to make questions on the FAFSA easy for students and families to read and understand, and shall ensure that the FAFSA is available in formats accessible to individuals with disabilities.

"(2) PAPER FORMAT.—

"(A) IN GENERAL.—The Secretary shall develop, make available, and process—

"(i) a paper version of EZ FAFSA, as described in subparagraph (B); and

"(ii) a paper version of the other forms described in this subsection, in accordance with subparagraph (C), for any applicant who does not meet the requirements of or does not wish to use the process described in subparagraph (B).

"(B) EZ FAFSA.—

"(i) IN GENERAL.—The Secretary shall develop and use, after appropriate field testing, a simplified paper form, to be known as the EZ FAFSA, to be used for applicants meeting the requirements of subsection (b) or (c) of section 479.

"(ii) REDUCED DATA REQUIREMENTS.—The EZ FAFSA shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 479.

"(iii) STATE DATA.—The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except that the Secretary shall not

include a State's data if that State does not permit the State's resident applicants to use the EZ FAFSA for State assistance.

"(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (6) shall apply to the EZ FAFSA, and the data collected by means of the EZ FAFSA shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).

"(C) PROMOTING THE USE OF ELECTRONIC FAFSA.—

"(i) IN GENERAL.—The Secretary shall make all efforts to encourage all applicants to utilize the electronic version of the forms described in paragraph (3).

"(ii) MAINTENANCE OF THE FAFSA IN A PRINTABLE ELECTRONIC FILE.—The Secretary shall maintain a version of the paper forms described in subparagraphs (A) and (B) in a printable electronic file that is easily portable, accessible, and downloadable to students on the same website used to provide students with the electronic version of the forms described in paragraph (3).

"(iii) REQUESTS FOR PRINTED COPY.—The Secretary shall provide a printed copy of the full paper version of FAFSA upon request.

"(iv) REPORTING REQUIREMENT.—The Secretary shall maintain data, and periodically report to Congress, on the impact of the digital divide on students completing applications for aid under this title. The Secretary shall report on the steps taken to eliminate the digital divide and reduce production of the paper form described in subparagraph (A). The Secretary's report shall specifically address the impact of the digital divide on the following student populations:

"(I) Independent students.

"(II) Traditionally underrepresented students.

"(III) Dependent students.

"(3) ELECTRONIC FORMAT.—

"(A) IN GENERAL.—The Secretary shall produce, distribute, and process forms in electronic format to meet the requirements of paragraph (1). The Secretary shall develop an electronic version of the forms for applicants who do not meet the requirements of subsection (b) or (c) of section 479.

"(B) SIMPLIFIED APPLICATIONS: FAFSA ON THE WEB.—

"(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic version of the form to be used by applicants meeting the requirements under subsection (b) or (c) of section 479.

"(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic version of the forms shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 479.

"(iii) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the forms

developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, guaranty agency, State grant agency, private computer software provider, a consortium thereof, or such other entities as the Secretary may designate.

"(C) STATE DATA.—The Secretary shall include on the electronic version of the forms such items as may be necessary to determine eligibility for State financial assistance, as provided under paragraph (5), except the Secretary shall not require an applicant to enter data pursuant to this subparagraph that are required by any State other than the applicant's State of residence.

"(D) AVAILABILITY AND PROCESSING.—The data collected by means of the simplified electronic version of the forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).

"(E) PRIVACY.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the forms. Data collected by such electronic version of the forms shall be used only for the application, award, and administration of aid awarded under this title, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic version of the forms shall be used for making final aid awards under this title until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.

"(F) SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may continue to permit an electronic version of the form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (G).

"(G) PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary may continue to assign to an applicant a personal identification number—

"(i) to enable the applicant to use such number as a signature for purposes of completing an electronic version of a form developed under this paragraph; and

"(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

"(H) PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—The Secretary shall continue to work with the Commissioner of Social Security to minimize the time required for an applicant to obtain a personal identification number when applying for aid under this title through

an electronic version of a form developed under this paragraph.

"(4) STREAMLINING.—

"(A) STREAMLINED REAPPLICATION PROCESS.—

"(i) IN GENERAL.—The Secretary shall continue to streamline reapplication forms and processes for an applicant who applies for financial assistance under this title in the next succeeding academic year subsequent to an academic year for which such applicant applied for financial assistance under this title.

"(ii) UPDATING OF DATA ELEMENTS.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that may be transferred from the previous academic year's application and those data elements that shall be updated.

"(iii) REDUCED DATA AUTHORIZED.—Nothing in this title shall be construed as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants.

"(iv) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any financial data in a reapplication form, except data that are necessary to determine eligibility under such section.

"(B) REDUCTION OF DATA ELEMENTS.—

"(i) REDUCTION ENCOURAGED.—Of the number of data elements on the FAFSA used for the 2009–2010 award year, the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance and consistent with efforts under subsection (c), shall continue to reduce the number of such data elements required to be entered by all applicants, with the goal of reducing such number by 50 percent.

"(ii) REPORT.—The Secretary shall submit a report on the process of this reduction to each of the authorizing committees by June 30, 2011.

"(5) STATE REQUIREMENTS.—

"(A) IN GENERAL.—Except as provided in paragraphs (2)(B)(iii), (3)(B), and (4)(A)(ii), the Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for need-based State aid. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection. The number of such data items shall not be less than the number included on the form for the 2008–2009 award year unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based aid.

"(B) ANNUAL REVIEW.—The Secretary shall conduct an annual review to determine—

"(i) which data items each State requires to award need-based State aid; and

"(ii) if the State will permit an applicant to file a form described in paragraph (2)(B) or (3)(B).

"(C) FEDERAL REGISTER NOTICE.—Beginning with the forms developed under paragraphs (2)(B) and (3)(B) for the award year 2010–2011, the Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary—

"(i) if the State agency is unable to permit applicants to utilize the simplified forms described in paragraphs (2)(B) and (3)(B); and

"(ii) of the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

"(D) USE OF SIMPLIFIED FORMS ENCOURAGED.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified forms under this subsection, including those forms described in paragraphs (2)(B) and (3)(B), for applicants who meet the requirements of subsection (b) or (c) of section 479.

"(E) CONSEQUENCES IF STATE DOES NOT ACCEPT SIMPLIFIED FORMS.—If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid, the Secretary may determine that State-specific questions for such State will not be included on a form described in paragraph (2)(B) or (3)(B). If the Secretary makes such determination, the Secretary shall advise the State of the Secretary's determination.

"(F) LACK OF STATE RESPONSE TO REQUEST FOR INFORMATION.—If a State does not respond to the Secretary's request for information under subparagraph (B), the Secretary shall—

"(i) permit residents of that State to complete simplified forms under paragraphs (2)(B) and (3)(B); and

"(ii) not require any resident of such State to complete any data items previously required by that State under this section.

"(G) RESTRICTION.—The Secretary shall, to the extent practicable, not require applicants to complete any financial or nonfinancial data items that are not required—

"(i) by the applicant's State; or

"(ii) by the Secretary.

"(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A) may be determined only by using a form developed by the Secretary under this subsection. Such forms shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of financial aid through the use of such forms. No data collected on a form for which a fee is charged shall be used to complete the form prescribed under this section, except that a Federal or State income tax form prepared by

a paid income tax preparer or preparer service for the primary purpose of filing a Federal or State income tax return may be used to complete the form prescribed under this section.

"(7) RESTRICTIONS ON USE OF PIN.—No person, commercial entity, or other entity may request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(G) for purposes of submitting a form developed under this subsection on an applicant's behalf.

"(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit forms developed under this subsection and initiate the processing of such forms under this subsection, as early as practicable prior to January 1 of the student's planned year of enrollment.

"(9) EARLY ESTIMATES.—The Secretary shall continue to—

"(A) permit applicants to enter data in such forms as described in this subsection in the years prior to enrollment in order to obtain a non-binding estimate of the applicant's family contribution (as defined in section 473);

"(B) permit applicants to update information submitted on forms described in this subsection, without needing to re-enter previously submitted information;

"(C) develop a means to inform applicants, in the years prior to enrollment, of student aid options for individuals in similar financial situations;

"(D) develop a means to provide a clear and conspicuous notice that the applicant's expected family contribution is subject to change and may not reflect the final expected family contribution used to determine Federal student financial aid award amounts under this title; and

"(E) consult with representatives of States, institutions of higher education, and other individuals with experience or expertise in student financial assistance application processes in making updates to forms used to provide early estimates under this paragraph.

"(10) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using a form developed under this subsection for the purposes of processing loan applications and determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education, guaranty agencies, or States to receive such data shall be subject to all the requirements of this section, unless such requirements are waived by the Secretary.

"(11) THIRD PARTY SERVICERS AND PRIVATE SOFTWARE PROVIDERS.—To the extent practicable and in a timely manner, the Secretary shall provide, to private organizations and consortia that develop software used by institutions of higher education for the administration of funds under this title, all the necessary specifications that the organizations and consortia must meet for the software the organizations and consortia develop, produce, and distribute (including any diskette, modem, or network communications) to be so used. The specifications shall contain record layouts for required data. The Secretary shall develop in advance of each processing cycle

an annual schedule for providing such specifications. The Secretary, to the extent practicable, shall use multiple means of providing such specifications, including conferences and other meetings, outreach, and technical support mechanisms (such as training and printed reference materials). The Secretary shall, from time to time, solicit from such organizations and consortia means of improving the support provided by the Secretary.

"(12) PARENT'S SOCIAL SECURITY NUMBER AND BIRTH DATE.—The Secretary is authorized to include space on the forms developed under this subsection for the social security number and birth date of parents of dependent students seeking financial assistance under this title.";

(2) by striking subsections (b) and (e);

(3) by redesignating subsections (c) and (d) (as amended by section 103(b)(10)) as subsections (b) and (c), respectively;

(4) in subsection (c) (as redesignated by paragraph (3)), by striking "that is authorized" and all that follows through the period at the end and inserting "or other appropriate provider of technical assistance and information on postsecondary educational services for individuals with disabilities, including the National Technical Assistance Center under section 777. The Secretary shall continue to implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of subsection (b) or (c) of section 479 to submit an application over such system."; and

(5) by adding at the end the following:

"(d) ASSISTANCE IN PREPARATION OF FINANCIAL AID APPLICATION.—

"(1) PREPARATION AUTHORIZED.—Notwithstanding any provision of this Act, an applicant may use a preparer for consultative or preparation services for the completion of a form developed under subsection (a) if the preparer satisfies the requirements of this subsection.

"(2) PREPARER IDENTIFICATION REQUIRED.—If an applicant uses a preparer for consultative or preparation services for the completion of a form developed under subsection (a), and for which a fee is charged, the preparer shall—

"(A) include, at the time the form is submitted to the Department, the name, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer on the applicant's form; and

"(B) be subject to the same penalties as an applicant for purposely giving false or misleading information in the application.

"(3) ADDITIONAL REQUIREMENTS.—A preparer that provides consultative or preparation services pursuant to this subsection shall—

"(A) clearly inform each individual upon initial contact, including contact through the Internet or by telephone, that the FAFSA and EZ FAFSA are free forms that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

"(B) include in any advertising clear and conspicuous information that the FAFSA and EZ FAFSA are free forms

that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

"(C) if advertising or providing any information on a website, or if providing services through a website, include on the website a link to the website that provides the electronic version of the forms developed under subsection (a); and

"(D) not produce, use, or disseminate any other form for the purpose of applying for Federal student financial aid other than the form developed by the Secretary under subsection (a).

"(4) SPECIAL RULE.—Nothing in this Act shall be construed to limit preparers of the forms required under this title that meet the requirements of this subsection from collecting source information from a student or parent, including Internal Revenue Service tax forms, in providing consultative and preparation services in completing the forms.

"(e) EARLY APPLICATION AND ESTIMATED AWARD DEMONSTRATION PROGRAM.—

"(1) PURPOSE AND OBJECTIVES.—The purpose of the demonstration program under this subsection is to measure the benefits, in terms of student aspirations and plans to attend an institution of higher education, and any adverse effects, in terms of program costs, integrity, distribution, and delivery of aid under this title, of implementing an early application system for all dependent students that allows dependent students to apply for financial aid using information from two years prior to the year of enrollment. Additional objectives associated with implementation of the demonstration program are the following:

"(A) To measure the feasibility of enabling dependent students to apply for Federal, State, and institutional financial aid in their junior year of secondary school, using information from two years prior to the year of enrollment, by completing any of the forms under this subsection.

"(B) To identify whether receiving final financial aid award estimates not later than the fall of the senior year of secondary school provides students with additional time to compete for the limited resources available for State and institutional financial aid and positively impacts the college aspirations and plans of these students.

"(C) To measure the impact of using income information from the years prior to enrollment on—

"(i) eligibility for financial aid under this title and for other State and institutional aid; and

"(ii) the cost of financial aid programs under this title.

"(D) To effectively evaluate the benefits and adverse effects of the demonstration program on program costs, integrity, distribution, and delivery of financial aid.

"(2) PROGRAM AUTHORIZED.—Not later than two years after the date of enactment of the Higher Education Opportunity Act, the Secretary shall implement an early application demonstration program enabling dependent students who wish to participate in the program—

"(A) to complete an application under this subsection during the academic year that is two years prior to the year such students plan to enroll in an institution of higher education; and

"(B) based on the application described in subparagraph (A), to obtain, not later than one year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under this title, and State and institutional financial aid for the student's first year of enrollment in the institution of higher education.

"(3) EARLY APPLICATION AND ESTIMATED AWARD.—For all dependent students selected for participation in the demonstration program who submit a completed FAFSA, or, as appropriate, an EZ FAFSA, two years prior to the year such students plan to enroll in an institution of higher education, the Secretary shall, not later than one year prior to the year of such planned enrollment—

"(A) provide each student who completes an early application with an estimated determination of such student's—

"(i) expected family contribution for the first year of the student's enrollment in an institution of higher education; and

"(ii) Federal Pell Grant award for the first such year, based on the maximum Federal Pell Grant award at the time of application; and

"(B) remind the students of the need to update the students' information during the calendar year of enrollment using the expedited reapplication process provided for in subsection (a)(4)(A).

"(4) PARTICIPANTS.—The Secretary shall include as participants in the demonstration program—

"(A) States selected through the application process described in paragraph (5);

"(B) institutions of higher education within the selected States that are interested in participating in the demonstration program, and that can make estimates or commitments of institutional student financial aid, as appropriate, to students the year before the students' planned enrollment date; and

"(C) secondary schools within the selected States that are interested in participating in the demonstration program, and that can commit resources to—

"(i) advertising the availability of the program;

"(ii) identifying students who might be interested in participating in the program;

"(iii) encouraging such students to apply; and

"(iv) participating in the evaluation of the program.

"(5) APPLICATIONS.—Each State that is interested in participating in the demonstration program shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary shall require. The application shall include—

"(A) information on the amount of the State's need-based student financial assistance available, and the eligibility criteria for receiving such assistance;

"(B) a commitment to make, not later than the year before the dependent students participating in the demonstration program plan to enroll in an institution of higher education, an estimate of the award of State financial aid to such dependent students;

"(C) a plan for recruiting institutions of higher education and secondary schools with different demographic characteristics to participate in the program;

"(D) a plan for selecting institutions of higher education and secondary schools to participate in the program that—

"(i) demonstrate a commitment to encouraging students to submit a FAFSA, or, as appropriate, an EZ FAFSA, two years before the students' planned date of enrollment in an institution of higher education;

"(ii) serve different populations of students;

"(iii) in the case of institutions of higher education—

"(I) to the extent possible, are of varying types and sectors; and

"(II) commit to making, not later than the year prior to the year that dependent students participating in the demonstration program plan to enroll in the institution—

"(aa) estimated institutional awards to participating dependent students; and

"(bb) estimated grants or other financial aid available under this title (including supplemental grants under subpart 3 of part A), for all participating dependent students, along with information on State awards, as provided to the institution by the State;

"(E) a commitment to participate in the evaluation conducted by the Secretary; and

"(F) such other information as the Secretary may require.

"(6) SPECIAL PROVISIONS.—

"(A) DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.—A financial aid administrator at an institution of higher education participating in a demonstration program under this subsection may use the discretion provided under section 479A as necessary for students participating in the demonstration program.

"(B) WAIVERS.—The Secretary is authorized to waive, for an institution of higher education participating in the demonstration program, any requirements under this title, or regulations prescribed under this title, that will make the demonstration program unworkable, except that the Secretary shall not waive any provisions with respect to the maximum award amounts for grants and loans under this title.

"(7) OUTREACH.—The Secretary shall make appropriate efforts to notify States of the demonstration program under this subsection. Upon determination of participating States, the Secretary shall continue to make efforts to notify institutions of higher education and dependent students within participating States of the opportunity to participate in the demonstration program and of the participation requirements.

"(8) EVALUATION.—The Secretary shall conduct a rigorous evaluation of the demonstration program to measure the program's benefits and adverse effects, as the benefits and effects relate to the purpose and objectives of the program described in paragraph (1). In conducting the evaluation, the Secretary shall—

"(A) identify whether receiving financial aid estimates one year prior to the year in which the student plans to enroll in an institution of higher education, has a positive impact on the higher education aspirations and plans of such student;

"(B) measure the extent to which using a student's income information from the year that is two years prior to the student's planned enrollment date had an impact on the ability of States and institutions of higher education to make financial aid awards and commitments;

"(C) determine what operational changes are required to implement the program on a larger scale;

"(D) identify any changes to Federal law that are necessary to implement the program on a permanent basis;

"(E) identify the benefits and adverse effects of providing early estimates on program costs, program operations, program integrity, award amounts, distribution, and delivery of aid; and

"(F) examine the extent to which estimated awards differ from actual awards made to students participating in the program.

"(9) CONSULTATION.—The Secretary shall consult, as appropriate, with the Advisory Committee on Student Financial Assistance established under section 491 on the design, implementation, and evaluation of the demonstration program.

"(f) REDUCTION OF INCOME AND ASSET INFORMATION TO DETERMINE ELIGIBILITY FOR STUDENT FINANCIAL AID.—

"(1) CONTINUATION OF CURRENT FAFSA SIMPLIFICATION EFFORTS.—The Secretary shall continue to examine—

"(A) how the Internal Revenue Service can provide to the Secretary income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

"(B) whether data provided by the Internal Revenue Service can be used to—

"(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

"(ii) generate an expected family contribution without additional action on the part of the student and taxpayer; and

"(C) whether the data elements collected on the FAFSA that are needed to determine eligibility for student aid, or to administer the Federal student financial aid programs under this title, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

"(2) REPORT ON FAFSA SIMPLIFICATION EFFORTS TO DATE.—Not later than 90 days after the date of enactment of the

Higher Education Opportunity Act, the Secretary shall provide a written report to the authorizing committees on the work the Department has done with the Secretary of the Treasury regarding—

"(A) how the expected family contribution of a student can be calculated using substantially less income and asset information than was used on March 31, 2008;

"(B) the extent to which the reduced income and asset information will result in a redistribution of Federal grants and subsidized loans under this title, State aid, or institutional aid, or in a change in the composition of the group of recipients of such aid, and the amount of such redistribution;

"(C) how the alternative approaches for calculating the expected family contribution will—

"(i) rely mainly, in the case of students and parents who file income tax returns, on information available on the 1040, 1040EZ, and 1040A; and

"(ii) include formulas for adjusting income or asset information to produce similar results to the existing approach with less data;

"(D) how the Internal Revenue Service can provide to the Secretary of Education income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

"(E) whether data provided by the Internal Revenue Service can be used to—

"(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

"(ii) generate an expected family contribution without additional action on the part of the student and taxpayer;

"(F) the extent to which the use of income data from two years prior to a student's planned enrollment date will change the expected family contribution computed in accordance with part F, and potential adjustments to the need analysis formula that will minimize the change; and

"(G) the extent to which the data elements collected on the FAFSA on March 31, 2008, that are needed to determine eligibility for student aid or to administer the Federal student financial aid programs, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

"(3) STUDY.—

"(A) FORMATION OF STUDY GROUP.—Not later than 90 days after the date of enactment of the Higher Education Opportunity Act, the Comptroller General shall convene a study group the membership of which shall include the Secretary of Education, the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of institutions of higher education with expertise in Federal and State financial aid assistance, State chief

executive officers of higher education with a demonstrated commitment to simplifying the FAFSA, and such other individuals as the Comptroller General and the Secretary of Education may designate.

"(B) STUDY REQUIRED.—The Comptroller General, in consultation with the study group convened under subparagraph (A) shall—

"(i) review and build on the work of the Secretary of Education and the Secretary of the Treasury, and individuals with expertise in analysis of financial need, to assess alternative approaches for calculating the expected family contribution under the statutory need analysis formula in effect on the day before the date of enactment of the Higher Education Opportunity Act and under a new calculation that will use substantially less income and asset information than was used for the 2008–2009 FAFSA;

"(ii) conduct an additional analysis if necessary; and

"(iii) make recommendations to the authorizing committees.

"(C) OBJECTIVES OF STUDY.—The objectives of the study required under subparagraph (B) are—

"(i) to determine methods to shorten the FAFSA and make the FAFSA easier and less time-consuming to complete, thereby increasing higher education access for low-income students;

"(ii) to identify changes to the statutory need analysis formula that will be necessary to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid without causing significant redistribution of Federal grants and subsidized loans under this title; and

"(iii) to review State and institutional needs and uses for data collected on the FAFSA, and to determine the best means of addressing such needs in the case of modification of the FAFSA as described in clause (i), or modification of the need analysis formula as described in clause (ii).

"(D) REQUIRED SUBJECTS OF STUDY.—The study required under subparagraph (B) shall examine—

"(i) with respect to simplification of the financial aid application process using the statutory requirements for need analysis—

"(I) additional steps that can be taken to simplify the financial aid application process for students who (or, in the case of dependent students, whose parents) are not required to file a Federal income tax return for the prior taxable year;

"(II) information on State use of information provided on the FAFSA, including—

"(aa) whether a State uses, as of the time of the study, or can use, a student's expected family contribution based on data from two years prior to the student's planned enrollment date;

"(bb) the extent to which States and institutions will accept the data provided by the Internal Revenue Service to prepopulate the electronic version of the FAFSA to determine the distribution of State and institutional student financial aid funds;

"(cc) what data are used by States, as of the time of the study, to determine eligibility for State student financial aid, and whether the data are used for merit- or need-based aid;

"(dd) whether State data are required by State law, State regulations, or policy directives; and

"(ee) the extent to which any State-specific information requirements can be met by completion of a State application linked to the electronic version of the FAFSA; and

"(III) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

"(ii) ways to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid, taking into account—

"(I) the amount of redistribution of Federal grants and subsidized loans under this title caused by such a reduction, and the benefits to be gained by having an application process that will be easier for students and their families;

"(II) students and families who do not file income tax returns;

"(III) the extent to which the full array of income and asset information collected on the FAFSA, as of the time of the study, plays an important role in the awarding of need-based State financial aid, and whether the State can use an expected family contribution generated by the FAFSA, instead of income and asset information or a calculation with reduced data elements, to support determinations of eligibility for such State aid programs and, if not, what additional information will be needed or what changes to the FAFSA will be required; and

"(IV) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

"(V) changes to this Act or other laws that will be required to implement a modified need analysis system.

"(4) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance established under section 491 as appropriate in carrying out this subsection.

"(5) REPORTS.—

"(A) REPORTS ON STUDY.—The Secretary shall prepare and submit to the authorizing committees—

"(i) not later than one year after the date of enactment of the Higher Education Opportunity Act, an interim report on the progress of the study required under paragraph (3) that includes any preliminary recommendations by the study group established under such paragraph; and

"(ii) not later than two years after the date of enactment of the Higher Education Opportunity Act, a final report on the results of the study required under paragraph (3) that includes recommendations by the study group established under such paragraph.

"(B) REPORTS ON FAFSA SIMPLIFICATION EFFORTS.—The Secretary shall report to the authorizing committees, from time to time, on the progress of the simplification efforts under this subsection.

"(g) ADDRESSING THE DIGITAL DIVIDE.—The Secretary shall utilize savings accrued by moving more applicants to the electronic version of the forms described in subsection (a)(3) to improve access to the electronic version of the forms described in such subsection for applicants meeting the requirements of subsection (b) or (c) of section 479.

"(h) ADJUSTMENTS.—The Secretary shall disclose, on the form notifying a student of the student's expected family contribution, that the student may, on a case-by-case basis, qualify for an adjustment under section 479A to the cost of attendance or the values of the data items required to calculate the expected contribution for the student or parent. Such disclosure shall specify—

"(1) the special circumstances under which a student or family member may qualify for such adjustment; and

"(2) additional information regarding the steps a student or family member may take in order to seek an adjustment under section 479A.".

SEC. 484. MODEL INSTITUTION FINANCIAL AID OFFER FORM.

(a) MODEL FORMAT.—The Secretary of Education shall—

(1) not later than six months after the date of enactment of the Higher Education Opportunity Act, convene a group of students, families of students, secondary school guidance counselors, representatives of institutions of higher education (including financial aid administrators, registrars, and business officers), and nonprofit consumer groups for the purpose of offering recommendations for improvements that—

(A) can be made to financial aid offer forms; and

(B) include the information described in subsection (b);

(2) develop a model format for financial aid offer forms based on the recommendations of the group; and

(3) not later than one year after the date of enactment of the Higher Education Opportunity Act—

(A) submit recommendations to the authorizing committees (as defined in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003); and

(B) make the recommendations and model format widely available.

(b) CONTENTS.—The recommendations developed under subsection (a) for model financial aid offer forms shall include, in a consumer-friendly manner that is simple and understandable, the following:

(1) Information on the student's cost of attendance, including the following:

(A) Tuition and fees.

(B) Room and board costs.

(C) Books and supplies.

(D) Transportation.

(2) The amount of financial aid that the student does not have to repay, such as scholarships, grants, and work-study assistance, offered to the student for such year, and the conditions of such financial aid.

(3) The types and amounts of loans under part B, D, or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq., 1087aa et seq.) for which the student is eligible for such year, and the applicable terms and conditions of such loans.

(4) The net amount that the student, or the student's family on behalf of the student, will have to pay for the student to attend the institution for such year, equal to—

(A) the cost of attendance for the student for such year; minus

(B) the amount of financial aid described in paragraphs (2) and (3) that is offered in the financial aid offer form.

(5) Where a student or the student's family can seek additional information regarding the financial aid offered.

(6) Any other information the Secretary of Education determines necessary so that students and parents can make informed student loan borrowing decisions.

SEC. 485. STUDENT ELIGIBILITY.

(a) AMENDMENTS.—Section 484 (20 U.S.C. 1091) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(B), by striking "number," and all that follows through the semicolon and inserting "number;"; and

(B) in paragraph (5)—

(i) by inserting "or" after "a permanent resident of the United States,"; and

(ii) by striking "citizen or permanent resident" and all that follows through the semicolon and inserting "citizen or permanent resident;";

(2) in subsection (b)(1), by inserting ", or under section 428H pursuant to an exercise of discretion under section 479A" after "428C";

(3) in subsection (d), by adding at the end the following:

"(4) The student shall be determined by the institution of higher education as having the ability to benefit from the education or training offered by the institution of higher education upon satisfactory completion of six credit hours or the

equivalent coursework that are applicable toward a degree or certificate offered by the institution of higher education.";

(4) by striking subsection (j);

(5) by striking subsection (l) and inserting the following: "(l) COURSES OFFERED THROUGH DISTANCE EDUCATION.—

"(1) RELATION TO CORRESPONDENCE COURSES.—

"(A) IN GENERAL.—A student enrolled in a course of instruction at an institution of higher education that is offered principally through distance education and leads to a recognized certificate, or recognized associate, recognized baccalaureate, or recognized graduate degree, conferred by such institution, shall not be considered to be enrolled in correspondence courses.

"(B) EXCEPTION.—An institution of higher education referred to in subparagraph (A) shall not include an institution or school described in section 3(3)(C) of the Carl D. Perkins Career and Technical Education Act of 2006.

"(2) REDUCTIONS OF FINANCIAL AID.—A student's eligibility to receive grants, loans, or work assistance under this title shall be reduced if a financial aid officer determines under the discretionary authority provided in section 479A that distance education results in a substantially reduced cost of attendance to such student.

"(3) SPECIAL RULE.—For award years beginning prior to July 1, 2008, the Secretary shall not take any compliance, disallowance, penalty, or other action based on a violation of this subsection against a student or an eligible institution when such action arises out of such institution's prior award of student assistance under this title if the institution demonstrates to the satisfaction of the Secretary that its course of instruction would have been in conformance with the requirements of this subsection.";

(6) by striking subsection (q) and inserting the following: "(q) USE OF INCOME DATA.—

"(1) MATCHING WITH IRS.—The Secretary, in cooperation with the Secretary of the Treasury, is authorized to obtain from the Internal Revenue Service such information reported on Federal income tax returns by applicants, or by any other person whose financial information is required to be provided on the Federal student financial aid application, as the Secretary determines is necessary for the purpose of—

"(A) prepopulating the Federal student financial aid application described in section 483; or

"(B) verifying the information reported on such student financial aid applications.

"(2) CONSENT.—The Secretary may require that applicants for financial assistance under this title provide a consent to the disclosure of the data described in paragraph (1) as a condition of the student receiving assistance under this title. The parents of an applicant, in the case of a dependent student, or the spouse of an applicant, in the case of an applicant who is married but files separately, may also be required to provide consent as a condition of the student receiving assistance under this title.";

(7) in subsection (r)(2)—

(A) in subparagraph (A), by striking "or" at the end of clause (ii);

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) the student successfully passes two unannounced drug tests conducted by a drug rehabilitation program that complies with such criteria as the Secretary shall prescribe in regulations for purposes of subparagraph (A)(i); or";

(8) by adding at the end the following:

"(s) STUDENTS WITH INTELLECTUAL DISABILITIES.—

"(1) DEFINITIONS.—In this subsection the terms 'comprehensive transition and postsecondary program for students with intellectual disabilities' and 'student with an intellectual disability' have the meanings given the terms in section 760.

"(2) REQUIREMENTS.—Notwithstanding subsections (a), (c), and (d), in order to receive any grant or work assistance under section 401, subpart 3 of part A, or part C, a student with an intellectual disability shall—

"(A) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary program for students with intellectual disabilities at an institution of higher education;

"(B) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

"(C) meet the requirements of paragraphs (3), (4), (5), and (6) of subsection (a).

"(3) AUTHORITY.—Notwithstanding any other provision of law unless such provision is enacted with specific reference to this section, the Secretary is authorized to waive any statutory provision applicable to the student financial assistance programs under section 401, subpart 3 of part A, or part C (other than a provision of part F related to such a program), or any institutional eligibility provisions of this title, as the Secretary determines necessary to ensure that programs enrolling students with intellectual disabilities otherwise determined to be eligible under this subsection may receive such financial assistance.

"(4) REGULATIONS.—Notwithstanding regulations applicable to grant or work assistance awards made under section 401, subpart 3 of part A, and part C (other than a regulation under part F related to such an award), including with respect to eligible programs, instructional time, credit status, and enrollment status as described in section 481, the Secretary shall promulgate regulations allowing programs enrolling students with intellectual disabilities otherwise determined to be eligible under this subsection to receive such awards."; and

(9) by adding after subsection (s) (as added by paragraph (7)) the following:

"(t) DATA ANALYSIS ON ACCESS TO FEDERAL STUDENT AID FOR CERTAIN POPULATIONS.—

"(1) DEVELOPMENT OF THE SYSTEM.—Within one year of enactment of the Higher Education Opportunity Act, the Secretary shall analyze data from the FAFSA containing information regarding the number, characteristics, and circumstances

of students denied Federal student aid based on a drug conviction while receiving Federal aid.

"(2) RESULTS FROM ANALYSIS.—The results from the analysis of such information shall be made available on a continuous basis via the Department website and the Digest of Education Statistics.

"(3) DATA UPDATING.—The data analyzed under this subsection shall be updated at the beginning of each award year and at least one additional time during such award year.

"(4) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the authorizing committees, in each fiscal year, a report describing the results obtained by the establishment and operation of the data system authorized by this subsection.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 1, 2010, except that the amendments made by paragraphs (3), (4), and (8) of such subsection shall take effect on the date of enactment of this Act.

SEC. 486. STATUTE OF LIMITATIONS AND STATE COURT JUDGMENTS.

Section 484A (20 U.S.C. 1091a) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "and" after the semicolon;

(B) in paragraph (2), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(3) in collecting any obligation arising from a loan made under part E, an institution of higher education that has an agreement with the Secretary pursuant to section 463(a) shall not be subject to a defense raised by any borrower based on a claim of infancy."; and

(2) by adding at the end the following:

"(d) SPECIAL RULE.—This section shall not apply in the case of a student who is deceased, or to a deceased student's estate or the estate of such student's family. If a student is deceased, then the student's estate or the estate of the student's family shall not be required to repay any financial assistance under this title, including interest paid on the student's behalf, collection costs, or other charges specified in this title.".

SEC. 487. READMISSION REQUIREMENTS FOR SERVICEMEMBERS.

Part G of title IV (20 U.S.C. 1088 et seq.) is amended by inserting after section 484B the following:

"SEC. 484C. READMISSION REQUIREMENTS FOR SERVICEMEMBERS.

"(a) DEFINITION OF SERVICE IN THE UNIFORMED SERVICES.—In this section, the term 'service in the uniformed services' means service (whether voluntary or involuntary) on active duty in the Armed Forces, including such service by a member of the National Guard or Reserve, for a period of more than 30 days under a call or order to active duty of more than 30 days.

"(b) DISCRIMINATION AGAINST STUDENTS WHO SERVE IN THE UNIFORMED SERVICES PROHIBITED.—A person who is a member of, applies to be a member of, performs, has performed, applies to perform, or has an obligation to perform, service in the uniformed services shall not be denied readmission to an institution of higher

education on the basis of that membership, application for membership, performance of service, application for service, or obligation.

"(c) READMISSION PROCEDURES.—

"(1) IN GENERAL.—Any student whose absence from an institution of higher education is necessitated by reason of service in the uniformed services shall be entitled to readmission to the institution of higher education if—

"(A) the student (or an appropriate officer of the Armed Forces or official of the Department of Defense) gives advance written or verbal notice of such service to the appropriate official at the institution of higher education;

"(B) the cumulative length of the absence and of all previous absences from that institution of higher education by reason of service in the uniformed services does not exceed five years; and

"(C) except as otherwise provided in this section, the student submits a notification of intent to reenroll in the institution of higher education in accordance with the provisions of paragraph (4).

"(2) EXCEPTIONS.—

"(A) MILITARY NECESSITY.—No notice is required under paragraph (1)(A) if the giving of such notice is precluded by military necessity, such as—

"(i) a mission, operation, exercise, or requirement that is classified; or

"(ii) a pending or ongoing mission, operation, exercise, or requirement that may be compromised or otherwise adversely affected by public knowledge.

"(B) FAILURE TO GIVE ADVANCE NOTICE.—Any student (or an appropriate officer of the Armed Forces or official of the Department of Defense) who did not give advance written or verbal notice of service to the appropriate official at the institution of higher education in accordance with paragraph (1)(A) may meet the notice requirement by submitting, at the time the student seeks readmission, an attestation to the student's institution of higher education that the student performed service in the uniformed services that necessitated the student's absence from the institution of higher education.

"(3) APPLICABILITY.—This section shall apply to a student who is absent from an institution of higher education by reason of service in the uniformed services if such student's cumulative period of service in the Armed Forces (including the National Guard or Reserve), with respect to the institution of higher education for which a student seeks readmission, does not exceed five years, except that any such period of service shall not include any service—

"(A) that is required, beyond five years, to complete an initial period of obligated service;

"(B) during which such student was unable to obtain orders releasing such student from a period of service in the uniformed services before the expiration of such five-year period and such inability was through no fault of such student; or

"(C) performed by a member of the Armed Forces (including the National Guard and Reserves) who is—

"(i) ordered to or retained on active duty under section 688, 12301(a), 12301(g), 12302, 12304, or 12305 of title 10, United States Code, or under section 331, 332, 359, 360, 367, or 712 of title 14, United States Code;

"(ii) ordered to or retained on active duty (other than for training) under any provision of law because of a war or national emergency declared by the President or the Congress, as determined by the Secretary concerned;

"(iii) ordered to active duty (other than for training) in support, as determined by the Secretary concerned, of an operational mission for which personnel have been ordered to active duty under section 12304 of title 10, United States Code;

"(iv) ordered to active duty in support, as determined by the Secretary concerned, of a critical mission or requirement of the Armed Forces (including the National Guard or Reserve); or

"(v) called into Federal service as a member of the National Guard under chapter 15 of title 10, United States Code, or section 12406 of title 10, United States Code.

"(4) NOTIFICATION OF INTENT TO RETURN.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a student referred to in subsection (a) shall, upon the completion of a period of service in the uniformed services, notify the institution of higher education of the student's intent to return to the institution not later than three years after the completion of the period of service.

"(B) HOSPITALIZATION OR CONVALESCENCE.—A student who is hospitalized for or convalescing from an illness or injury incurred in or aggravated during the performance of service in the uniformed services shall notify the institution of higher education of the student's intent to return to the institution not later than two years after the end of the period that is necessary for recovery from such illness or injury.

"(C) SPECIAL RULE.—A student who fails to apply for readmission within the period described in this section shall not automatically forfeit such eligibility for readmission to the institution of higher education, but shall be subject to the institution of higher education's established leave of absence policy and general practices.

"(5) DOCUMENTATION.—

"(A) IN GENERAL.—A student who submits an application for readmission to an institution of higher education under this section shall provide to the institution of higher education documentation to establish that—

"(i) the student has not exceeded the service limitations established under this section; and

"(ii) the student's eligibility for readmission has not been terminated due to an exception in subsection (d).

"(B) PROHIBITED DOCUMENTATION DEMANDS.—An institution of higher education may not delay or attempt to avoid a readmission of a student under this section

by demanding documentation that does not exist, or is not readily available, at the time of readmission.

"(6) NO CHANGE IN ACADEMIC STATUS.—A student who is readmitted to an institution of higher education under this section shall be readmitted with the same academic status as such student had when such student last attended the institution of higher education.

"(d) EXCEPTION FROM READMISSION ELIGIBILITY.—A student's eligibility for readmission to an institution of higher education under this section by reason of such student's service in the uniformed services terminates upon the occurrence of any of the following events:

"(1) A separation of such person from the Armed Forces (including the National Guard and Reserves) with a dishonorable or bad conduct discharge.

"(2) A dismissal of such person permitted under section 1161(a) of title 10, United States Code.

"(3) A dropping of such person from the rolls pursuant to section 1161(b) of title 10, United States Code.".

SEC. 488. INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

(a) INFORMATION DISSEMINATION ACTIVITIES.—Section 485(a) (20 U.S.C. 1092(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (G)—

(i) by striking "program, and" and inserting "program,"; and

(ii) by inserting ", and (iv) any plans by the institution for improving the academic program of the institution" after "instructional personnel"; and

(B) by striking subparagraph (M) and inserting the following:

"(M) the terms and conditions of the loans that students receive under parts B, D, and E;";

(C) in subparagraph (N), by striking "and" after the semicolon;

(D) in subparagraph (O), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

"(P) institutional policies and sanctions related to copyright infringement, including—

"(i) an annual disclosure that explicitly informs students that unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities;

"(ii) a summary of the penalties for violation of Federal copyright laws; and

"(iii) a description of the institution's policies with respect to unauthorized peer-to-peer file sharing, including disciplinary actions that are taken against students who engage in unauthorized distribution of copyrighted materials using the institution's information technology system;

"(Q) student body diversity at the institution, including information on the percentage of enrolled, full-time students who—

"(i) are male;

"(ii) are female;

"(iii) receive a Federal Pell Grant; and

"(iv) are a self-identified member of a major racial or ethnic group;

"(R) the placement in employment of, and types of employment obtained by, graduates of the institution's degree or certificate programs, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, the Community College Survey of Student Engagement, State data systems, or other relevant sources;

"(S) the types of graduate and professional education in which graduates of the institution's four-year degree programs enrolled, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, State data systems, or other relevant sources;

"(T) the fire safety report prepared by the institution pursuant to subsection (i);

"(U) the retention rate of certificate- or degree-seeking, first-time, full-time, undergraduate students entering such institution; and

"(V) institutional policies regarding vaccinations."; and

(2) by striking paragraph (4) and inserting the following:

"(4) For purposes of this section, institutions may—

"(A) exclude from the information disclosed in accordance with subparagraph (L) of paragraph (1) the completion or graduation rates of students who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

"(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, recalculate the completion or graduation rates of such students by excluding from the calculation described in paragraph (3) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government."; and

(3) by adding at the end the following:

"(7)(A)(i) Subject to clause (ii), the information disseminated under paragraph (1)(L), or reported under subsection (e), shall be disaggregated by gender, by each major racial and ethnic subgroup, by recipients of a Federal Pell Grant, by recipients of a loan made under part B or D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan) who did not receive a Federal Pell Grant, and by recipients of neither a Federal Pell Grant nor a loan made under part B or D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan), if the number of students in such subgroup or with such status is sufficient to yield statistically reliable information and

reporting will not reveal personally identifiable information about an individual student. If such number is not sufficient for such purposes, then the institution shall note that the institution enrolled too few of such students to so disclose or report with confidence and confidentiality.

"(ii) The requirements of clause (i) shall not apply to two-year, degree-granting institutions of higher education until academic year 2011-2012.

"(B)(i) In order to assist two-year degree-granting institutions of higher education in meeting the requirements of paragraph (1)(L) and subsection (e), the Secretary, in consultation with the Commissioner for Education Statistics, shall, not later than 90 days after the date of enactment of the Higher Education Opportunity Act, convene a group of representatives from diverse institutions of higher education, experts in the field of higher education policy, state higher education officials, students, and other stakeholders in the higher education community, to develop recommendations regarding the accurate calculation and reporting of the information required to be disseminated or reported under paragraph (1)(L) and subsection (e) by two-year, degree-granting institutions of higher education. In developing such recommendations, the group of representatives shall consider the mission and role of two-year degree-granting institutions of higher education, and may recommend additional or alternative measures of student success for such institutions in light of the mission and role of such institutions.

"(ii) The Secretary shall widely disseminate the recommendations required under this subparagraph to two-year, degree-granting institutions of higher education, the public, and the authorizing committees not later than 18 months after the first meeting of the group of representatives convened under clause (i).

"(iii) The Secretary shall use the recommendations from the group of representatives convened under clause (i) to provide technical assistance to two-year, degree-granting institutions of higher education in meeting the requirements of paragraph (1)(L) and subsection (e).

"(iv) The Secretary may modify the information required to be disseminated or reported under paragraph (1)(L) or subsection (e) by a two-year, degree-granting institution of higher—

"(I) based on the recommendations received under this subparagraph from the group of representatives convened under clause (i);

"(II) to include additional or alternative measures of student success if the goals of the provisions of paragraph (1)(L) and subsection (e) can be met through additional means or comparable alternatives; and

"(III) during the period beginning on the date of enactment of the Higher Education Opportunity Act, and ending on June 30, 2011.".

(b) EXIT COUNSELING.—Subsection (b)(1)(A) of section 485 (20 U.S.C. 1092(b)(1)(A)) is amended to read as follows:

"(b) EXIT COUNSELING FOR BORROWERS.—(1)(A) Each eligible institution shall, through financial aid offices or otherwise, provide counseling to borrowers of loans that are made, insured, or guaranteed under part B (other than loans made pursuant to section

428C or loans under section 428B made on behalf of a student) or made under part D (other than Federal Direct Consolidation Loans or Federal Direct PLUS Loans made on behalf of a student) or made under part E of this title prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

"(i) information on the repayment plans available, including a description of the different features of each plan and sample information showing the average anticipated monthly payments, and the difference in interest paid and total payments, under each plan;

"(ii) debt management strategies that are designed to facilitate the repayment of such indebtedness;

"(iii) an explanation that the borrower has the options to prepay each loan, pay each loan on a shorter schedule, and change repayment plans;

"(iv) for any loan forgiveness or cancellation provision of this title, a general description of the terms and conditions under which the borrower may obtain full or partial forgiveness or cancellation of the principal and interest, and a copy of the information provided by the Secretary under section 485(d);

"(v) for any forbearance provision of this title, a general description of the terms and conditions under which the borrower may defer repayment of principal or interest or be granted forbearance, and a copy of the information provided by the Secretary under section 485(d);

"(vi) the consequences of defaulting on a loan, including adverse credit reports, delinquent debt collection procedures under Federal law, and litigation;

"(vii) information on the effects of using a consolidation loan under section 428C or a Federal Direct Consolidation Loan to discharge the borrower's loans under parts B, D, and E, including at a minimum—

"(I) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

"(II) the effects of consolidation on a borrower's underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities;

"(III) the option of the borrower to prepay the loan or to change repayment plans; and

"(IV) that borrower benefit programs may vary among different lenders;

"(viii) a general description of the types of tax benefits that may be available to borrowers; and

"(ix) a notice to borrowers about the availability of the National Student Loan Data System and how the system can be used by a borrower to obtain information on the status of the borrower's loans; and".

(c) DEPARTMENTAL PUBLICATION OF DESCRIPTIONS OF ASSISTANCE PROGRAMS.—Section 485(d) (20 U.S.C. 1092(d)) is amended—

(1) in paragraph (1)—

(A) by inserting after "under this title." the following: "Such information shall also include information on the various payment options available for student loans, including income-sensitive and income-based repayment plans for loans made, insured, or guaranteed under part

B and income-contingent and income-based repayment plans for loans made under part D."; and

(B) by inserting after "tax-exempt organization." the following: "The Secretary shall also provide information on loan forbearance, including the increase in debt that results from capitalization of interest."; and

(2) by adding at the end the following:

"(4) The Secretary shall widely publicize the location of the information described in paragraph (1) among the public, eligible institutions, and eligible lenders, and promote the use of such information by prospective students, enrolled students, families of prospective and enrolled students, and borrowers.".

(d) DISCLOSURE OF ATHLETICALLY RELATED GRADUATION RATES.—Section 485(e)(3) (20 U.S.C. 1092(e)(3)) is amended to read as follows:

"(3) For purposes of this subsection, institutions may—

"(A) exclude from the reporting requirements under paragraphs (1) and (2) the completion or graduation rates of students and student athletes who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

"(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, calculate the completion or graduation rates of such students by excluding from the calculations described in paragraph (1) the time period such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.".

(e) CRIMINAL OFFENSES REPORTED.—Section 485(f) (20 U.S.C. 1092(f)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting ", other than a foreign institution higher education," after "under this title";

(B) in subparagraph (C), by striking clauses (i) and (ii) and inserting the following:

"(i) the law enforcement authority of campus security personnel;

"(ii) the working relationship of campus security personnel with State and local law enforcement agencies, including whether the institution has agreements with such agencies, such as written memoranda of understanding, for the investigation of alleged criminal offenses; and

"(iii) policies which encourage accurate and prompt reporting of all crimes to the campus police and the appropriate law enforcement agencies.";

(C) in subparagraph (F)(ii)—

(i) by striking "clause (i), and" and inserting "clause (i), of larceny-theft, simple assault, intimidation, and destruction, damage, or vandalism of property, and of"; and

(ii) by inserting a comma after "any person"; and

(D) by adding at the end the following new subparagraph:

"(J) A statement of current campus policies regarding immediate emergency response and evacuation procedures, including the use of electronic and cellular communication (if appropriate), which policies shall include procedures to—

"(i) immediately notify the campus community upon the confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students or staff occurring on the campus, as defined in paragraph (6), unless issuing a notification will compromise efforts to contain the emergency;

"(ii) publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and

"(iii) test emergency response and evacuation procedures on an annual basis.";

(2) by redesignating paragraph (15) as paragraph (18); and

(3) by inserting after paragraph (14) the following:

"(15) The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

"(16) The Secretary may seek the advice and counsel of the Attorney General concerning the development, and dissemination to institutions of higher education, of best practices information about campus safety and emergencies.

"(17) Nothing in this subsection shall be construed to permit an institution, or an officer, employee, or agent of an institution, participating in any program under this title to retaliate, intimidate, threaten, coerce, or otherwise discriminate against any individual with respect to the implementation of any provision of this subsection.".

(f) REPORT.—Section 485(g)(4) (20 U.S.C. 1092(g)(4)) is amended—

(1) by striking subparagraph (B);

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(3) in subparagraph (B) (as redesignated by paragraph (2)), by striking "and the report to Congress described in subparagraph (B)"; and

(4) in subparagraph (C) (as redesignated by paragraph (2)), by striking "the information reported under subparagraph (B) and".

(g) ADDITIONAL REQUIREMENTS.—Section 485 (20 U.S.C. 1092) is further amended by adding at the end the following new subsections:

"(h) TRANSFER OF CREDIT POLICIES.—

"(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose, in a readable and comprehensible manner, the transfer of credit policies established by the institution which shall include a statement of the institution's current transfer of credit policies that includes, at a minimum—

"(A) any established criteria the institution uses regarding the transfer of credit earned at another institution of higher education; and

"(B) a list of institutions of higher education with which the institution has established an articulation agreement.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

"(A) authorize the Secretary or the National Advisory Committee on Institutional Quality and Integrity to require particular policies, procedures, or practices by institutions of higher education with respect to transfer of credit;

"(B) authorize an officer or employee of the Department to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any institution of higher education, or over any accrediting agency or association;

"(C) limit the application of the General Education Provisions Act; or

"(D) create any legally enforceable right on the part of a student to require an institution of higher education to accept a transfer of credit from another institution.

"(i) DISCLOSURE OF FIRE SAFETY STANDARDS AND MEASURES.—

"(1) ANNUAL FIRE SAFETY REPORTS ON STUDENT HOUSING REQUIRED.—Each eligible institution participating in any program under this title that maintains on-campus student housing facilities shall, on an annual basis, publish a fire safety report, which shall contain information with respect to the campus fire safety practices and standards of that institution, including—

"(A) statistics concerning the following in each on-campus student housing facility during the most recent calendar years for which data are available:

"(i) the number of fires and the cause of each fire;

"(ii) the number of injuries related to a fire that result in treatment at a medical facility;

"(iii) the number of deaths related to a fire; and

"(iv) the value of property damage caused by a fire;

"(B) a description of each on-campus student housing facility fire safety system, including the fire sprinkler system;

"(C) the number of regular mandatory supervised fire drills;

"(D) policies or rules on portable electrical appliances, smoking, and open flames (such as candles), procedures for evacuation, and policies regarding fire safety education and training programs provided to students, faculty, and staff; and

"(E) plans for future improvements in fire safety, if determined necessary by such institution.

"(2) REPORT TO THE SECRETARY.—Each eligible institution participating in any program under this title shall, on an annual basis, submit to the Secretary a copy of the statistics required to be made available under paragraph (1)(A).

"(3) CURRENT INFORMATION TO CAMPUS COMMUNITY.—Each eligible institution participating in any program under this title shall—

"(A) make, keep, and maintain a log, recording all fires in on-campus student housing facilities, including the nature, date, time, and general location of each fire; and

"(B) make annual reports to the campus community on such fires.

"(4) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall—

"(A) make the statistics submitted under paragraph (1)(A) to the Secretary available to the public; and

"(B) in coordination with nationally recognized fire organizations and representatives of institutions of higher education, representatives of associations of institutions of higher education, and other organizations that represent and house a significant number of students—

"(i) identify exemplary fire safety policies, procedures, programs, and practices, including the installation, to the technical standards of the National Fire Protection Association, of fire detection, prevention, and protection technologies in student housing, dormitories, and other buildings;

"(ii) disseminate the exemplary policies, procedures, programs and practices described in clause (i) to the Administrator of the United States Fire Administration;

"(iii) make available to the public information concerning those policies, procedures, programs, and practices that have proven effective in the reduction of fires; and

"(iv) develop a protocol for institutions to review the status of their fire safety systems.

"(5) RULES OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

"(A) authorize the Secretary to require particular policies, procedures, programs, or practices by institutions of higher education with respect to fire safety, other than with respect to the collection, reporting, and dissemination of information required by this subsection;

"(B) affect section 444 of the General Education Provisions Act (the Family Educational Rights and Privacy Act of 1974) or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note);

"(C) create a cause of action against any institution of higher education or any employee of such an institution for any civil liability; or

"(D) establish any standard of care.

"(6) COMPLIANCE REPORT.—The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

"(7) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with this subsection shall not be admissible as evidence in any proceeding

of any court, agency, board, or other entity, except with respect to an action to enforce this subsection.

"(j) MISSING PERSON PROCEDURES.—

"(1) OPTION AND PROCEDURES.—Each institution of higher education that provides on-campus housing and participates in any program under this title shall—

"(A) establish a missing student notification policy for students who reside in on-campus housing that—

"(i) informs each such student that such student has the option to identify an individual to be contacted by the institution not later than 24 hours after the time that the student is determined missing in accordance with official notification procedures established by the institution under subparagraph (B);

"(ii) provides each such student a means to register confidential contact information in the event that the student is determined to be missing for a period of more than 24 hours;

"(iii) advises each such student who is under 18 years of age, and not an emancipated individual, that the institution is required to notify a custodial parent or guardian not later 24 hours after the time that the student is determined to be missing in accordance with such procedures;

"(iv) informs each such residing student that the institution will notify the appropriate law enforcement agency not later than 24 hours after the time that the student is determined missing in accordance with such procedures; and

"(v) requires, if the campus security or law enforcement personnel has been notified and makes a determination that a student who is the subject of a missing person report has been missing for more than 24 hours and has not returned to the campus, the institution to initiate the emergency contact procedures in accordance with the student's designation; and

"(B) establish official notification procedures for a missing student who resides in on-campus housing that—

"(i) includes procedures for official notification of appropriate individuals at the institution that such student has been missing for more than 24 hours;

"(ii) requires any official missing person report relating to such student be referred immediately to the institution's police or campus security department; and

"(iii) if, on investigation of the official report, such department determines that the missing student has been missing for more than 24 hours, requires—

"(I) such department to contact the individual identified by such student under subparagraph (A)(i);

"(II) if such student is under 18 years of age, and not an emancipated individual, the institution to immediately contact the custodial parent or legal guardian of such student; and

"(III) if subclauses (I) or (II) do not apply to a student determined to be a missing person, inform the appropriate law enforcement agency.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed—

"(A) to provide a private right of action to any person to enforce any provision of this subsection; or

"(B) to create a cause of action against any institution of higher education or any employee of the institution for any civil liability.

"(k) NOTICE TO STUDENTS CONCERNING PENALTIES FOR DRUG VIOLATIONS.—

"(1) NOTICE UPON ENROLLMENT.—Each institution of higher education shall provide to each student, upon enrollment, a separate, clear, and conspicuous written notice that advises the student of the penalties under section 484(r).

"(2) NOTICE AFTER LOSS OF ELIGIBILITY.—An institution of higher education shall provide in a timely manner to each student who has lost eligibility for any grant, loan, or work-study assistance under this title as a result of the penalties listed under 484(r)(1) a separate, clear, and conspicuous written notice that notifies the student of the loss of eligibility and advises the student of the ways in which the student can regain eligibility under section 484(r)(2).

"(l) ENTRANCE COUNSELING FOR BORROWERS.—

"(1) DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.—

"(A) IN GENERAL.—Each eligible institution shall, at or prior to the time of a disbursement to a first-time borrower of a loan made, insured, or guaranteed under part B (other than a loan made pursuant to section 428C or a loan made on behalf of a student pursuant to section 428B) or made under part D (other than a Federal Direct Consolidation Loan or a Federal Direct PLUS loan made on behalf of a student), ensure that the borrower receives comprehensive information on the terms and conditions of the loan and of the responsibilities the borrower has with respect to such loan in accordance with subparagraph (B). Such information—

"(i) shall be provided in a simple and understandable manner; and

"(ii) may be provided—

"(I) during an entrance counseling session conduction in person;

"(II) on a separate written form provided to the borrower that the borrower signs and returns to the institution; or

"(III) online, with the borrower acknowledging receipt of the information.

"(B) USE OF INTERACTIVE PROGRAMS.—The Secretary shall encourage institutions to carry out the requirements of subparagraph (A) through the use of interactive programs that test the borrower's understanding of the terms and conditions of the borrower's loans under part B or D, using simple and understandable language and clear formatting.

"(2) INFORMATION TO BE PROVIDED.—The information to be provided to the borrower under paragraph (1)(A) shall include the following:

"(A) To the extent practicable, the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance.

"(B) An explanation of the use of the master promissory note.

"(C) Information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary.

"(D) In the case of a loan made under section 428B or 428H, a Federal Direct PLUS Loan, or a Federal Direct Unsubsidized Stafford Loan, the option of the borrower to pay the interest while the borrower is in school.

"(E) The definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment.

"(F) An explanation of the importance of contacting the appropriate offices at the institution of higher education if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation.

"(G) Sample monthly repayment amounts based on—

"(i) a range of levels of indebtedness of—

"(I) borrowers of loans under section 428 or 428H; and

"(II) as appropriate, graduate borrowers of loans under section 428, 428B, or 428H; or

"(ii) the average cumulative indebtedness of other borrowers in the same program as the borrower at the same institution.

"(H) The obligation of the borrower to repay the full amount of the loan, regardless of whether the borrower completes or does not complete the program in which the borrower is enrolled within the regular time for program completion.

"(I) The likely consequences of default on the loan, including adverse credit reports, delinquent debt collection procedures under Federal law, and litigation.

"(J) Information on the National Student Loan Data System and how the borrower can access the borrower's records.

"(K) The name of and contact information for the individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.".

SEC. 489. NATIONAL STUDENT LOAN DATA SYSTEM.

Section 485B (20 U.S.C. 1092b) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively;

(B) in paragraph (5) (as added by Public Law 101–610), by striking "effectiveness." and inserting "effectiveness;"; and

(C) by redesignating paragraph (5) (as added by Public Law 101–234) as paragraph (6);

(2) by redesignating subsections (d) through (g) as subsections (e) through (h), respectively; and

(3) by inserting after subsection (c) the following:

"(d) PRINCIPLES FOR ADMINISTERING THE DATA SYSTEM.—In managing the National Student Loan Data System, the Secretary shall take actions necessary to maintain confidence in the data system, including, at a minimum—

"(1) ensuring that the primary purpose of access to the data system by guaranty agencies, eligible lenders, and eligible institutions of higher education is for legitimate program operations, such as the need to verify the eligibility of a student, potential student, or parent for loans under part B, D, or E;

"(2) prohibiting nongovernmental researchers and policy analysts from accessing personally identifiable information;

"(3) creating a disclosure form for students and potential students that is distributed when such students complete the common financial reporting form under section 483, and as a part of the exit counseling process under section 485(b), that—

"(A) informs the students that any title IV grant or loan the students receive will be included in the National Student Loan Data System, and instructs the students on how to access that information;

"(B) describes the categories of individuals or entities that may access the data relating to such grant or loan through the data system, and for what purposes access is allowed;

"(C) defines and explains the categories of information included in the data system;

"(D) provides a summary of the provisions of section 444 of the General Education Provisions Act (the Family Educational Rights and Privacy Act of 1974) and other applicable Federal privacy statutes, and a statement of the students' rights and responsibilities with respect to such statutes;

"(E) explains the measures taken by the Department to safeguard the students' data; and

"(F) includes other information as determined appropriate by the Secretary;

"(4) requiring guaranty agencies, eligible lenders, and eligible institutions of higher education that enter into an agreement with a potential student, student, or parent of such student regarding a loan under part B, D, or E, to inform the student or parent that such loan shall be—

"(A) submitted to the data system; and

"(B) accessible to guaranty agencies, eligible lenders, and eligible institutions of higher education determined by the Secretary to be authorized users of the data system;

"(5) regularly reviewing the data system to—

"(A) delete inactive users from the data system;

"(B) ensure that the data in the data system are not being used for marketing purposes; and

"(C) monitor the use of the data system by guaranty agencies and eligible lenders to determine whether an agency or lender is accessing the records of students in which the agency or lender has no existing financial interest; and

"(6) developing standardized protocols for limiting access to the data system that include—

"(A) collecting data on the usage of the data system to monitor whether access has been or is being used contrary to the purposes of the data system;

"(B) defining the steps necessary for determining whether, and how, to deny or restrict access to the data system; and

"(C) determining the steps necessary to reopen access to the data system following a denial or restriction of access."; and

(4) by striking subsection (e) (as redesignated by paragraph (1)) and inserting the following:

"(e) REPORTS TO CONGRESS.—

"(1) ANNUAL REPORT.—Not later than September 30 of each fiscal year, the Secretary shall prepare and submit to the authorizing committees a report describing—

"(A) the effectiveness of existing privacy safeguards in protecting student and parent information in the data system;

"(B) the success of any new authorization protocols in more effectively preventing abuse of the data system;

"(C) the ability of the Secretary to monitor how the system is being used, relative to the intended purposes of the data system; and

"(D) any protocols developed under subsection (d)(6) during the preceding fiscal year.

"(2) STUDY.—

"(A) IN GENERAL.—The Secretary shall conduct a study regarding—

"(i) available mechanisms for providing students and parents with the ability to opt in or opt out of allowing eligible lenders to access their records in the National Student Loan Data System; and

"(ii) appropriate protocols for limiting access to the data system, based on the risk assessment required under subchapter III of chapter 35 of title 44, United States Code.

"(B) SUBMISSION OF STUDY.—Not later than three years after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit a report on the findings of the study under subparagraph (A) to the authorizing committees.".

SEC. 490. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

Part G of title IV (20 U.S.C. 1088 et seq.) is amended by inserting after section 485D (20 U.S.C. 1092c) the following:

"SEC. 485E. EARLY AWARENESS OF FINANCIAL AID ELIGIBILITY.

"(a) IN GENERAL.—The Secretary shall implement, in cooperation with States, institutions of higher education, secondary schools,

early intervention and outreach programs under this title, other agencies and organizations involved in student financial assistance and college access, public libraries, community centers, employers, and businesses, a comprehensive system of early financial aid information in order to provide students and families with early information about financial aid and early estimates of such students' eligibility for financial aid from multiple sources. Such system shall include the activities described in subsection (b).

"(b) COMMUNICATION OF AVAILABILITY OF AID AND AID ELIGIBILITY.—

"(1) STUDENTS WHO RECEIVE BENEFITS.—The Secretary shall—

"(A) make special efforts to notify students who receive or are eligible to receive benefits under a Federal means-tested benefit program (including the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.)), or another such benefit program as determined by the Secretary, of such students' potential eligibility for a maximum Federal Pell Grant under subpart 1 of part A; and

"(B) disseminate such informational materials, that are part of the system described in subsection (a), as the Secretary determines necessary.

"(2) SECONDARY SCHOOL STUDENTS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, secondary schools, and programs under this title that serve secondary school students, shall make special efforts to notify students in secondary school and their families, as early as possible but not later than such students' junior year of secondary school, of the availability of financial aid under this title and shall provide nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information is as accurate as possible and that such information is provided in an age-appropriate format using dissemination mechanisms suitable for students in secondary school.

"(3) ADULT LEARNERS.—The Secretary, in cooperation with States, institutions of higher education, other organizations involved in college access and student financial aid, employers, workforce investment boards, and public libraries, shall make special efforts to provide individuals who would qualify as independent students, as defined in section 480(d), with information regarding the availability of financial aid under this title and with nonbinding estimates of the amounts of grant and loan aid that an individual may be eligible for under this title upon completion of an application form under section 483(a). The Secretary shall ensure that such information—

"(A) is as accurate as possible;

"(B) includes specific information regarding the availability of financial aid for students qualified as independent students, as defined in section 480(d); and

"(C) uses dissemination mechanisms suitable for adult learners.

"(4) PUBLIC AWARENESS CAMPAIGN.—Not later than two years after the date of enactment of the Higher Education Opportunity Act, the Secretary, in coordination with States, institutions of higher education, early intervention and outreach programs under this title, other agencies and organizations involved in college access and student financial aid, secondary schools, organizations that provide services to individuals that are or were homeless, to individuals in foster care, or to other disconnected individuals, local educational agencies, public libraries, community centers, businesses, employers, employment services, workforce investment boards, and movie theaters, shall implement a public awareness campaign in order to increase national awareness regarding the availability of financial aid under this title. The public awareness campaign shall disseminate accurate information regarding the availability of financial aid under this title and shall be implemented, to the extent practicable, using a variety of media, including print, television, radio, and the Internet. The Secretary shall design and implement the public awareness campaign based upon relevant independent research and the information and dissemination strategies found most effective in implementing paragraphs (1) through (3).".

SEC. 491. DISTANCE EDUCATION DEMONSTRATION PROGRAMS.

Section 486(f)(3) (20 U.S.C. 1093(f)(3)) is amended—

(1) in subparagraph (B), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and adjusting the margins accordingly; and

(2) by striking "REPORTS.—" and all that follows through "House of Representatives on an annual basis" and inserting "ANNUAL REPORTS.—The Secretary shall provide reports to the authorizing committees on an annual basis".

SEC. 492. ARTICULATION AGREEMENTS.

Part G of title IV is further amended by inserting after section 486 (20 U.S.C. 1093) the following new section:

"SEC. 486A. ARTICULATION AGREEMENTS.

"(a) DEFINITION.—In this section, the term 'articulation agreement' means an agreement between or among institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree or program requirements.

"(b) PROGRAM TO ENCOURAGE ARTICULATION AGREEMENTS.—

"(1) PROGRAM ESTABLISHED.—The Secretary shall carry out a program for States, in cooperation with public institutions of higher education, to develop, enhance, and implement comprehensive articulation agreements between or among such institutions in a State, and (to the extent practicable) across State lines, by 2010. Such articulation agreements shall be made widely and publicly available on the websites of States and such institutions. In developing, enhancing, and implementing articulation agreements, States and public institutions of higher education may employ strategies, where applicable, including—

"(A) common course numbering;

"(B) a general education core curriculum;

"(C) management systems regarding course equivalency, transfer of credit, and articulation; and

"(D) other strategies identified by the Secretary.

"(2) TECHNICAL ASSISTANCE PROVIDED.—The Secretary shall provide technical assistance to States and public institutions of higher education for the purposes of developing and implementing articulation agreements in accordance with this subsection.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to articulation agreements.".

SEC. 493. PROGRAM PARTICIPATION AGREEMENTS.

(a) PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.—

(1) VOTER REGISTRATION; 90-10 RULE; CODE OF CONDUCT; DISCIPLINARY PROCEEDINGS; PREFERRED LENDER LISTS; PRIVATE EDUCATION LOAN CERTIFICATION; COPYRIGHTED MATERIAL.—

(A) AMENDMENT.—Section 487(a) (20 U.S.C. 1094(a)) is amended—

(i) in paragraph (23)—

(I) by moving subparagraph (C) two ems to the left; and

(II) by adding at the end the following:

"(D) The institution shall be considered in compliance with the requirements of subparagraph (A) for each student to whom the institution electronically transmits a message containing a voter registration form acceptable for use in the State in which the institution is located, or an Internet address where such a form can be downloaded, if such information is in an electronic message devoted exclusively to voter registration."; and

(ii) by adding at the end the following:

"(24) In the case of a proprietary institution of higher education (as defined in section 102(b)), such institution will derive not less than ten percent of such institution's revenues from sources other than funds provided under this title, as calculated in accordance with subsection (d)(1), or will be subject to the sanctions described in subsection (d)(2).

"(25) In the case of an institution that participates in a loan program under this title, the institution will—

"(A) develop a code of conduct with respect to such loans with which the institution's officers, employees, and agents shall comply, that—

"(i) prohibits a conflict of interest with the responsibilities of an officer, employee, or agent of an institution with respect to such loans; and

"(ii) at a minimum, includes the provisions described in subsection (e);

"(B) publish such code of conduct prominently on the institution's website; and

"(C) administer and enforce such code by, at a minimum, requiring that all of the institution's officers, employees, and agents with responsibilities with respect to such loans be annually informed of the provisions of the code of conduct.

"(26) The institution will, upon written request, disclose to the alleged victim of any crime of violence (as that term is defined in section 16 of title 18, United States Code), or

a nonforcible sex offense, the report on the results of any disciplinary proceeding conducted by such institution against a student who is the alleged perpetrator of such crime or offense with respect to such crime or offense. If the alleged victim of such crime or offense is deceased as a result of such crime or offense, the next of kin of such victim shall be treated as the alleged victim for purposes of this paragraph.

"(27) In the case of an institution that has entered into a preferred lender arrangement, the institution will at least annually compile, maintain, and make available for students attending the institution, and the families of such students, a list, in print or other medium, of the specific lenders for loans made, insured, or guaranteed under this title or private education loans that the institution recommends, promotes, or endorses in accordance with such preferred lender arrangement. In making such list, the institution shall comply with the requirements of subsection (h).

"(28)(A) The institution will, upon the request of an applicant for a private education loan, provide to the applicant the form required under section 128(e)(3) of the Truth in Lending Act (15 U.S.C. 1638(e)(3)), and the information required to complete such form, to the extent the institution possesses such information.

"(B) For purposes of this paragraph, the term 'private education loan' has the meaning given such term in section 140 of the Truth in Lending Act.

"(29) The institution certifies that the institution—

"(A) has developed plans to effectively combat the unauthorized distribution of copyrighted material, including through the use of a variety of technology-based deterrents; and

"(B) will, to the extent practicable, offer alternatives to illegal downloading or peer-to-peer distribution of intellectual property, as determined by the institution in consultation with the chief technology officer or other designated officer of the institution.".

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) with respect to section 487(a)(26) of the Higher Education Act of 1965 (as added by subparagraph (A)) shall apply with respect to any disciplinary proceeding conducted by an institution on or after the day that is one year after the date of enactment of this Act.

(b) AUDITS; FINANCIAL RESPONSIBILITY; ENFORCEMENT OF STANDARDS.—Section 487(c)(1)(A)(i) (20 U.S.C. 1094(c)(1)(A)(i)) is amended by inserting before the semicolon at the end the following: ", except that the Secretary may modify the requirements of this clause with respect to institutions of higher education that are foreign institutions, and may waive such requirements with respect to a foreign institution whose students receives less than $500,000 in loans under this title during the award year preceding the audit period".

(c) IMPLEMENTATION OF NON-TITLE IV REVENUE REQUIREMENT; CODE OF CONDUCT; INSTITUTIONAL REQUIREMENTS FOR TEACH-OUTS; INSPECTOR GENERAL REPORT ON GIFT BAN VIOLATIONS; PREFERRED LENDER LIST REQUIREMENTS.—Section 487 (20 U.S.C. 1094) is further amended—

(1) by redesignating subsections (d) and (e) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (c) the following:

"(d) IMPLEMENTATION OF NON-TITLE IV REVENUE REQUIREMENT.—

"(1) CALCULATION.—In making calculations under subsection (a)(24), a proprietary institution of higher education shall—

"(A) use the cash basis of accounting, except in the case of loans described in subparagraph (D)(i) that are made by the proprietary institution of higher education;

"(B) consider as revenue only those funds generated by the institution from—

"(i) tuition, fees, and other institutional charges for students enrolled in programs eligible for assistance under this title;

"(ii) activities conducted by the institution that are necessary for the education and training of the institution's students, if such activities are—

"(I) conducted on campus or at a facility under the control of the institution;

"(II) performed under the supervision of a member of the institution's faculty; and

"(III) required to be performed by all students in a specific educational program at the institution; and

"(iii) funds paid by a student, or on behalf of a student by a party other than the institution, for an education or training program that is not eligible for funds under this title, if the program—

"(I) is approved or licensed by the appropriate State agency;

"(II) is accredited by an accrediting agency recognized by the Secretary; or

"(III) provides an industry-recognized credential or certification;

"(C) presume that any funds for a program under this title that are disbursed or delivered to or on behalf of a student will be used to pay the student's tuition, fees, or other institutional charges, regardless of whether the institution credits those funds to the student's account or pays those funds directly to the student, except to the extent that the student's tuition, fees, or other institutional charges are satisfied by—

"(i) grant funds provided by non-Federal public agencies or private sources independent of the institution;

"(ii) funds provided under a contractual arrangement with a Federal, State, or local government agency for the purpose of providing job training to low-income individuals who are in need of that training;

"(iii) funds used by a student from savings plans for educational expenses established by or on behalf of the student and which qualify for special tax treatment under the Internal Revenue Code of 1986; or

"(iv) institutional scholarships described in subparagraph (D)(iii);

"(D) include institutional aid as revenue to the school only as follows:

"(i) in the case of loans made by a proprietary institution of higher education on or after July 1, 2008 and prior to July 1, 2012, the net present value of such loans made by the institution during the applicable institutional fiscal year accounted for on an accrual basis and estimated in accordance with generally accepted accounting principles and related standards and guidance, if the loans—

"(I) are bona fide as evidenced by enforceable promissory notes;

"(II) are issued at intervals related to the institution's enrollment periods; and

"(III) are subject to regular loan repayments and collections;

"(ii) in the case of loans made by a proprietary institution of higher education on or after July 1, 2012, only the amount of loan repayments received during the applicable institutional fiscal year, excluding repayments on loans made and accounted for as specified in clause (i); and

"(iii) in the case of scholarships provided by a proprietary institution of higher education, only those scholarships provided by the institution in the form of monetary aid or tuition discounts based upon the academic achievements or financial need of students, disbursed during each fiscal year from an established restricted account, and only to the extent that funds in that account represent designated funds from an outside source or from income earned on those funds;

"(E) in the case of each student who receives a loan on or after July 1, 2008, and prior to July 1, 2011, that is authorized under section 428H or that is a Federal Direct Unsubsidized Stafford Loan, treat as revenue received by the institution from sources other than funds received under this title, the amount by which the disbursement of such loan received by the institution exceeds the limit on such loan in effect on the day before the date of enactment of the Ensuring Continued Access to Student Loans Act of 2008; and

"(F) exclude from revenues—

"(i) the amount of funds the institution received under part C, unless the institution used those funds to pay a student's institutional charges;

"(ii) the amount of funds the institution received under subpart 4 of part A;

"(iii) the amount of funds provided by the institution as matching funds for a program under this title;

"(iv) the amount of funds provided by the institution for a program under this title that are required to be refunded or returned; and

"(v) the amount charged for books, supplies, and equipment, unless the institution includes that amount as tuition, fees, or other institutional charges.

"(2) SANCTIONS.—

"(A) INELIGIBILITY.—A proprietary institution of higher education that fails to meet a requirement of subsection (a)(24) for two consecutive institutional fiscal years shall be ineligible to participate in the programs authorized by this title for a period of not less than two institutional fiscal years. To regain eligibility to participate in the programs authorized by this title, a proprietary institution of higher education shall demonstrate compliance with all eligibility and certification requirements under section 498 for a minimum of two institutional fiscal years after the institutional fiscal year in which the institution became ineligible.

"(B) ADDITIONAL ENFORCEMENT.—In addition to such other means of enforcing the requirements of this title as may be available to the Secretary, if a proprietary institution of higher education fails to meet a requirement of subsection (a)(24) for any institutional fiscal year, then the institution's eligibility to participate in the programs authorized by this title becomes provisional for the two institutional fiscal years after the institutional fiscal year in which the institution failed to meet the requirement of subsection (a)(24), except that such provisional eligibility shall terminate—

"(i) on the expiration date of the institution's program participation agreement under this subsection that is in effect on the date the Secretary determines that the institution failed to meet the requirement of subsection (a)(24); or

"(ii) in the case that the Secretary determines that the institution failed to meet a requirement of subsection (a)(24) for two consecutive institutional fiscal years, on the date the institution is determined ineligible in accordance with subparagraph (A).

"(3) PUBLICATION ON COLLEGE NAVIGATOR WEBSITE.—The Secretary shall publicly disclose on the College Navigator website—

"(A) the identity of any proprietary institution of higher education that fails to meet a requirement of subsection (a)(24); and

"(B) the extent to which the institution failed to meet such requirement.

"(4) REPORT TO CONGRESS.—Not later than July 1, 2009, and July 1 of each succeeding year, the Secretary shall submit to the authorizing committees a report that contains, for each proprietary institution of higher education that receives assistance under this title, as provided in the audited financial statements submitted to the Secretary by each institution pursuant to the requirements of subsection (a)(24)—

"(A) the amount and percentage of such institution's revenues received from sources under this title; and

"(B) the amount and percentage of such institution's revenues received from other sources.

"(e) CODE OF CONDUCT REQUIREMENTS.—An institution of higher education's code of conduct, as required under subsection (a)(25), shall include the following requirements:

"(1) BAN ON REVENUE-SHARING ARRANGEMENTS.—

"(A) PROHIBITION.—The institution shall not enter into any revenue-sharing arrangement with any lender.

"(B) DEFINITION.—For purposes of this paragraph, the term 'revenue-sharing arrangement' means an arrangement between an institution and a lender under which—

"(i) a lender provides or issues a loan that is made, insured, or guaranteed under this title to students attending the institution or to the families of such students; and

"(ii) the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution, an officer or employee of the institution, or an agent.

"(2) GIFT BAN.—

"(A) PROHIBITION.—No officer or employee of the institution who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or agent who has responsibilities with respect to education loans, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.

"(B) DEFINITION OF GIFT.—

"(i) IN GENERAL.—In this paragraph, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

"(ii) EXCEPTIONS.—The term 'gift' shall not include any of the following:

"(I) Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.

"(II) Food, refreshments, training, or informational material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.

"(III) Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

"(IV) Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by subsections (b) and (l) of section 485, as long as—

"(aa) the institution's staff are in control of the counseling, (whether in person or via electronic capabilities); and

"(bb) such counseling does not promote the products or services of any specific lender.

"(V) Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.

"(VI) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

"(iii) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this paragraph, a gift to a family member of an officer or employee of an institution, to a family member of an agent, or to any other individual based on that individual's relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if—

"(I) the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and

"(II) the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.

"(3) CONTRACTING ARRANGEMENTS PROHIBITED.—

"(A) PROHIBITION.—An officer or employee who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or an agent who has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

"(B) EXCEPTIONS.—Nothing in this subsection shall be construed as prohibiting—

"(i) an officer or employee of an institution who is not employed in the institution's financial aid office and who does not otherwise have responsibilities with respect to education loans, or an agent who does not have responsibilities with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans;

"(ii) an officer or employee of the institution who is not employed in the institution's financial aid office but who has responsibility with respect to education loans as a result of a position held at the institution, or an agent who has responsibility with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans, if the institution has a written conflict of interest policy that clearly sets forth that officers, employees, or agents must recuse themselves from participating in any decision of the board regarding education loans at the institution; or

"(iii) an officer, employee, or contractor of a lender, guarantor, or servicer of education loans from serving on a board of directors, or serving as a trustee, of an institution, if the institution has a written conflict of interest policy that the board member or trustee must recuse themselves from any decision regarding education loans at the institution.

"(4) INTERACTION WITH BORROWERS.—The institution shall not—

"(A) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or

"(B) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

"(5) PROHIBITION ON OFFERS OF FUNDS FOR PRIVATE LOANS.—

"(A) PROHIBITION.—The institution shall not request or accept from any lender any offer of funds to be used for private education loans (as defined in section 140 of the Truth in Lending Act), including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with—

"(i) a specified number of loans made, insured, or guaranteed under this title;

"(ii) a specified loan volume of such loans; or

"(iii) a preferred lender arrangement for such loans.

"(B) DEFINITION OF OPPORTUNITY POOL LOAN.—In this paragraph, the term 'opportunity pool loan' means a private education loan made by a lender to a student attending the institution or the family member of such a student that involves a payment, directly or indirectly, by such institution of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family.

"(6) BAN ON STAFFING ASSISTANCE.—

"(A) PROHIBITION.—The institution shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

"(B) CERTAIN ASSISTANCE PERMITTED.—Nothing in paragraph (1) shall be construed to prohibit the institution from requesting or accepting assistance from a lender related to—

"(i) professional development training for financial aid administrators;

"(ii) providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials; or

"(iii) staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters,

federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.

"(7) ADVISORY BOARD COMPENSATION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.

"(f) INSTITUTIONAL REQUIREMENTS FOR TEACH-OUTS.—

"(1) IN GENERAL.—In the event the Secretary initiates the limitation, suspension, or termination of the participation of an institution of higher education in any program under this title under the authority of subsection (c)(1)(F) or initiates an emergency action under the authority of subsection (c)(1)(G) and its prescribed regulations, the Secretary shall require that institution to prepare a teach-out plan for submission to the institution's accrediting agency or association in compliance with section 496(c)(4), the Secretary's regulations on teach-out plans, and the standards of the institution's accrediting agency or association.

"(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term 'teach-out plan' means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study, and may include, if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan.

"(g) INSPECTOR GENERAL REPORT ON GIFT BAN VIOLATIONS.—The Inspector General of the Department shall—

"(1) submit an annual report to the authorizing committees identifying all violations of an institution's code of conduct that the Inspector General has substantiated during the preceding year relating to the gift ban provisions described in subsection (f)(2); and

"(2) make the report available to the public through the Department's website.

"(h) PREFERRED LENDER LIST REQUIREMENTS.—

"(1) IN GENERAL.—In compiling, maintaining, and making available a preferred lender list as required under subsection (a)(27), the institution will—

"(A) clearly and fully disclose on such preferred lender list—

"(i) not less than the information required to be disclosed under section 153(a)(2)(A);

"(ii) why the institution has entered into a preferred lender arrangement with each lender on the preferred lender list, particularly with respect to terms and conditions or provisions favorable to the borrower; and

"(iii) that the students attending the institution, or the families of such students, do not have to borrow from a lender on the preferred lender list;

"(B) ensure, through the use of the list of lender affiliates provided by the Secretary under paragraph (2), that—

"(i) there are not less than three lenders of loans made under part B that are not affiliates of each other included on the preferred lender list and, if the institution recommends, promotes, or endorses private education loans, there are not less than two lenders of private education loans that are not affiliates of each other included on the preferred lender list; and

"(ii) the preferred lender list under this paragraph—

"(I) specifically indicates, for each listed lender, whether the lender is or is not an affiliate of each other lender on the preferred lender list; and

"(II) if a lender is an affiliate of another lender on the preferred lender list, describes the details of such affiliation;

"(C) prominently disclose the method and criteria used by the institution in selecting lenders with which to enter into preferred lender arrangements to ensure that such lenders are selected on the basis of the best interests of the borrowers, including—

"(i) payment of origination or other fees on behalf of the borrower;

"(ii) highly competitive interest rates, or other terms and conditions or provisions of loans under this title or private education loans;

"(iii) high-quality servicing for such loans; or

"(iv) additional benefits beyond the standard terms and conditions or provisions for such loans;

"(D) exercise a duty of care and a duty of loyalty to compile the preferred lender list under this paragraph without prejudice and for the sole benefit of the students attending the institution, or the families of such students;

"(E) not deny or otherwise impede the borrower's choice of a lender or cause unnecessary delay in loan certification under this title for those borrowers who choose a lender that is not included on the preferred lender list; and

"(F) comply with such other requirements as the Secretary may prescribe by regulation.

"(2) LENDER AFFILIATES LIST.—

"(A) IN GENERAL.—The Secretary shall maintain and regularly update a list of lender affiliates of all eligible lenders, and shall provide such list to institutions for use in carrying out paragraph (1)(B).

"(B) USE OF MOST RECENT LIST.—An institution shall use the most recent list of lender affiliates provided by the Secretary under subparagraph (A) in carrying out paragraph (1)(B).".

(d) DEFINITIONS.—Section 487(i) (as redesignated by subsection (c)(1)) (20 U.S.C. 1087(i)) is further amended—

(1) by striking "(i) DEFINITION OF ELIGIBLE INSTITUTION.—For the purpose of this section, the" and inserting the following:

"(i) DEFINITIONS.—For the purpose of this section:

"(1) AGENT.—The term 'agent' has the meaning given the term in section 151.

"(2) AFFILIATE.—The term 'affiliate' means a person that controls, is controlled by, or is under common control with another person. A person controls, is controlled by, or is under common control with another person if—

"(A) the person directly or indirectly, or acting through one or more others, owns, controls, or has the power to vote five percent or more of any class of voting securities of such other person;

"(B) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

"(C) the Secretary determines (after notice and opportunity for a hearing) that the person directly or indirectly exercises a controlling interest over the management or policies of such other person's education loans.

"(3) EDUCATION LOAN.—The term 'education loan' has the meaning given the term in section 151.

"(4) ELIGIBLE INSTITUTION.—The"; and

(2) by adding at the end the following new paragraph:

"(5) OFFICER.—The term 'officer' has the meaning given the term in section 151.

"(6) PREFERRED LENDER ARRANGEMENT.—The term 'preferred lender arrangement' has the meaning given the term in section 151.".

SEC. 494. REGULATORY RELIEF AND IMPROVEMENT.

Section 487A(b) (20 U.S.C. 1094a(b)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) IN GENERAL.—The Secretary shall continue the voluntary participation of any experimental sites in existence as of July 1, 2007, unless the Secretary determines that such site's participation has not been successful in carrying out the purposes of this section. Any activities approved by the Secretary prior to such date that have not been successful in carrying out the purposes of this section shall be discontinued not later than June 30, 2009.";

(2) in paragraph (2), by striking the matter preceding subparagraph (A) and inserting the following:

"(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation to the authorizing committees. Such report shall include—"; and

(3) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking "Upon the submission of the report required by paragraph (2), the" and inserting "The"; and

(ii) by inserting "periodically" after "authorized to";

(B) by striking subparagraph (B);

(C) by redesignating subparagraph (C) as subparagraph (B); and

(D) in subparagraph (B) (as redesignated by subparagraph (C))—

(i) by inserting ", including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492" after "requirements in this title";

(ii) by inserting "(other than an award rule related to an experiment in modular or compressed schedules)" after "award rules"; and

(iii) by inserting "unless the waiver of such provisions is authorized by another provision under this title" before the period at the end.

SEC. 494A. TRANSFER OF ALLOTMENTS.

Section 488 (20 U.S.C. 1095) is amended in the first sentence—

(1) in paragraph (1), by striking "and" after the semicolon;

(2) in paragraph (2), by striking "413D." and inserting "413D or 462 (or both); and"; and

(3) by adding at the end "(3) transfer 25 percent of the institution's allotment under section 413D to the institution's allotment under section 442.".

SEC. 494B. PURPOSE OF ADMINISTRATIVE PAYMENTS.

Section 489(b)(1) (20 U.S.C. 1096(b)(1)) is amended by striking "offsetting the administrative costs of" and inserting "administering".

SEC. 494C. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

(a) AMENDMENTS.—Section 491 (20 U.S.C. 1098) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (B), by striking "and" after the semicolon;

(B) in subparagraph (C), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

"(D) to provide knowledge and understanding of early intervention programs, and to make recommendations that will result in early awareness by low- and moderate-income students and families—

"(i) of their eligibility for assistance under this title; and

"(ii) to the extent practicable, of their eligibility for other forms of State and institutional need-based student assistance;

"(E) to make recommendations that will expand and improve partnerships among the Federal Government, States, institutions of higher education, and private entities to increase the awareness and the total amount of need-based student assistance available to low- and moderate-income students; and

"(F) to collect information on Federal regulations, and on the impact of Federal regulations on student financial assistance and on the cost of receiving a postsecondary

education, and to make recommendations to help streamline the regulations for institutions of higher education from all sectors.";

(2) by striking subsection (c) and inserting the following new subsection:

"(c) MEMBERSHIP.—(1) The Advisory Committee shall consist of 11 members appointed as follows:

"(A) Four members shall be appointed by the President pro tempore of the Senate, of whom two members shall be appointed from recommendations by the Majority Leader of the Senate, and two members shall be appointed from recommendations by the Minority Leader of the Senate.

"(B) Four members shall be appointed by the Speaker of the House of Representatives, of whom two members shall be appointed from recommendations by the Majority Leader of the House of Representatives, and two members shall be appointed from recommendations by the Minority Leader of the House of Representatives.

"(C) Three members shall be appointed by the Secretary, of whom at least one member shall be a student.

"(2) Each member of the Advisory Committee, with the exception of a student member, shall be appointed on the basis of technical qualifications, professional experience, and demonstrated knowledge in the fields of higher education, student financial aid, financing post-secondary education, and the operations and financing of student loan guarantee agencies.

"(3) The appointment of a member under subparagraph (A) or (B) of paragraph (1) shall be effective upon publication of such appointment in the Congressional Record.";

(3) in subsection (d)—

(A) in paragraph (6), by striking ", but nothing in this section shall authorize the committee to perform such studies, surveys, or analyses";

(B) in paragraph (8), by striking "and" after the semicolon;

(C) by redesignating paragraph (9) as paragraph (11); and

(D) by inserting after paragraph (8) (as amended by subparagraph (B)) the following:

"(9) provide an annual report to the authorizing committees that provides analyses and policy recommendations regarding—

"(A) the adequacy of need-based grant aid for low- and moderate-income students; and

"(B) the postsecondary enrollment and graduation rates of low- and moderate-income students;

"(10) develop and maintain an information clearinghouse to help institutions of higher education understand the regulatory impact of the Federal Government on institutions of higher education from all sectors, in order to raise awareness of institutional legal obligations and provide information to improve compliance with, and to reduce the duplication and inefficiency of, Federal regulations; and";

(4) in subsection (e)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "3" and inserting "4"; and

(B) in paragraph (2), by striking "A member of the Advisory Committee shall" and all that follows through

"on the Advisory Committee." and inserting "A member of the Advisory Committee serving on the date of enactment of the Higher Education Opportunity Act shall be permitted to serve the duration of the member's term, regardless of whether the member was previously appointed to more than one term.";

(5) in subsection (j)—

(A) in paragraph (1)—

(i) by inserting "and simplifications" after "delivery processes"; and

(ii) by striking "including the implementation of a performance-based organization within the Department, and report to Congress regarding such modernization on not less than an annual basis,"; and

(B) by striking paragraphs (4) and (5) and inserting the following:

"(4) conduct a review and analysis of regulations in accordance with subsection (l); and

"(5) conduct a study in accordance with subsection (m).";

(6) in subsection (k), by striking "2004" and inserting "2014"; and

(7) by adding at the end the following:

"(l) REVIEW AND ANALYSIS OF REGULATIONS.—

"(1) RECOMMENDATIONS.—The Advisory Committee shall make recommendations to the Secretary and the authorizing committees for consideration of future legislative action regarding redundant or outdated regulations consistent with the Secretary's requirements under section 498B.

"(2) REVIEW AND ANALYSIS OF REGULATIONS.—

"(A) REVIEW OF CURRENT REGULATIONS.—To meet the requirements of subsection (d)(10), the Advisory Committee shall conduct a review and analysis of the regulations issued by Federal agencies that are in effect at the time of the review and that apply to the operations or activities of institutions of higher education from all sectors. The review and analysis may include a determination of whether the regulation is duplicative, is no longer necessary, is inconsistent with other Federal requirements, or is overly burdensome. In conducting the review, the Advisory Committee shall pay specific attention to evaluating ways in which regulations under this title affecting institutions of higher education (other than institutions described in section 102(a)(1)(C)), that have received in each of the two most recent award years prior to the date of enactment of Higher Education Opportunity Act less than $200,000 in funds through this title, may be improved, streamlined, or eliminated.

"(B) REVIEW AND COLLECTION OF FUTURE REGULATIONS.—The Advisory Committee shall—

"(i) monitor all Federal regulations, including notices of proposed rulemaking, for their impact or potential impact on higher education; and

"(ii) provide a succinct description of each regulation or proposed regulation that is generally relevant to institutions of higher education from all sectors.

"(C) MAINTENANCE OF PUBLIC WEBSITE.—The Advisory Committee shall develop and maintain an easy to use, searchable, and regularly updated website that—

"(i) provides information collected in subparagraph (B);

"(ii) provides an area for the experts and members of the public to provide recommendations for ways in which the regulations may be streamlined; and

"(iii) publishes the study conducted by the National Research Council of the National Academy of Sciences under section 1106 of the Higher Education Opportunity Act.

"(3) CONSULTATION.—

"(A) IN GENERAL.—In carrying out the review, analysis, and development of the website required under paragraph (2), the Advisory Committee shall consult with the Secretary, other Federal agencies, relevant representatives of institutions of higher education, individuals who have expertise and experience with Federal regulations, and the review panels described in subparagraph (B).

"(B) REVIEW PANELS.—The Advisory Committee shall convene not less than two review panels of representatives of the groups involved in higher education, including individuals involved in student financial assistance programs under this title, who have experience and expertise in the regulations issued by the Federal Government that affect all sectors of higher education, in order to review the regulations and to provide recommendations to the Advisory Committee with respect to the review and analysis under paragraph (2). The panels shall be made up of experts in areas such as the operations of the financial assistance programs, the institutional eligibility requirements for the financial assistance programs, regulations not directly related to the operations or the institutional eligibility requirements of the financial assistance programs, and regulations for dissemination of information to students about the financial assistance programs.

"(4) PERIODIC UPDATES TO THE AUTHORIZING COMMITTEES.—The Advisory Committee shall—

"(A) submit, not later than two years after the completion of the negotiated rulemaking process required under section 492 resulting from the amendments to this Act made by the Higher Education Opportunity Act, a report to the authorizing committees and the Secretary detailing the review panels' findings and recommendations with respect to the review of regulations; and

"(B) provide periodic updates to the authorizing committees regarding—

"(i) the impact of all Federal regulations on all sectors of higher education; and

"(ii) suggestions provided through the website for streamlining or eliminating duplicative regulations.

"(5) ADDITIONAL SUPPORT.—The Secretary and the Inspector General of the Department shall provide such assistance and resources to the Advisory Committee as the Secretary and Inspector General determine are necessary to conduct the review and analysis required by this subsection.

"(m) STUDY OF INNOVATIVE PATHWAYS TO BACCALAUREATE DEGREE ATTAINMENT.—

"(1) STUDY REQUIRED.—The Advisory Committee shall conduct a study of the feasibility of increasing baccalaureate degree attainment rates by reducing the costs and financial barriers to attaining a baccalaureate degree through innovative programs.

"(2) SCOPE OF STUDY.—The Advisory Committee shall examine new and existing programs that promote baccalaureate degree attainment through innovative ways, such as dual or concurrent enrollment programs, changes made to the Federal Pell Grant program, simplification of the needs analysis process, compressed or modular scheduling, articulation agreements, and programs that allow two-year institutions of higher education to offer baccalaureate degrees.

"(3) REQUIRED ASPECTS OF THE STUDY.—In performing the study described in this subsection, the Advisory Committee shall examine the following aspects of such innovative programs:

"(A) The impact of such programs on baccalaureate attainment rates.

"(B) The degree to which a student's total cost of attaining a baccalaureate degree can be reduced by such programs.

"(C) The ways in which low- and moderate-income students can be specifically targeted by such programs.

"(D) The ways in which nontraditional students can be specifically targeted by such programs.

"(E) The cost-effectiveness for the Federal Government, States, and institutions of higher education to implement such programs.

"(4) CONSULTATION.—

"(A) IN GENERAL.—In performing the study described in this subsection, the Advisory Committee shall consult with a broad range of interested parties in higher education, including parents, students, appropriate representatives of secondary schools and institutions of higher education, appropriate State administrators, administrators of dual or concurrent enrollment programs, and appropriate Department officials.

"(B) CONSULTATION WITH THE AUTHORIZING COMMITTEES.—The Advisory Committee shall consult on a regular basis with the authorizing committees in carrying out the study required by this subsection.

"(5) REPORTS TO AUTHORIZING COMMITTEES.—

"(A) INTERIM REPORT.—The Advisory Committee shall prepare and submit to the authorizing committees and the Secretary an interim report, not later than one year after the date of enactment of the Higher Education Opportunity Act, describing the progress made in conducting the study required by this subsection and any preliminary findings on the topics identified under paragraph (2).

"(B) FINAL REPORT.—The Advisory Committee shall, not later than three years after the date of enactment of the Higher Education Opportunity Act, prepare and submit to the authorizing committees and the Secretary a final report on the study, including recommendations

for legislative, regulatory, and administrative changes based on findings related to the topics identified under paragraph (2).".

(b) CONFORMING AMENDMENTS.—Subsections (a)(1), (b), and (d)(6) of section 491 (20 U.S.C. 1098) are each amended by striking "Congress" and inserting "authorizing committees".

SEC. 494D. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

(a) REGIONAL MEETINGS.—Section 492(a) (20 U.S.C. 1098a(a)) is amended—

(1) in paragraph (1), by inserting "State student grant agencies," after "institutions of higher education,"; and

(2) in paragraph (2), by striking ", as amended by the Higher Education Amendments of 1998".

(b) NEGOTIATED RULEMAKING.—Section 492(b)(1) (20 U.S.C. 1098a(b)(1)) is amended—

(1) in the first sentence, by striking "as amended by the Higher Education Amendments of 1998"; and

(2) in the third sentence—

(A) by striking "To the extent possible, the Secretary" and inserting "The Secretary"; and

(B) by inserting "with demonstrated expertise or experience in the relevant subjects under negotiation," after "select individuals".

SEC. 494E. YEAR 2000 REQUIREMENTS AT THE DEPARTMENT.

Section 493A (20 U.S.C. 1098c) is repealed.

SEC. 494F. TECHNICAL AMENDMENT OF INCOME-BASED REPAYMENT.

Section 493C(b)(1) (20 U.S.C. 1098e(b)(1)) is amended by striking "or is already in default" and inserting "or had been in default".

PART H—PROGRAM INTEGRITY

SEC. 495. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

Section 496 (20 U.S.C. 1099b) is amended—

(1) in subsection (a)—

(A) by striking paragraph (4) and inserting the following:

"(4)(A) such agency or association consistently applies and enforces standards that respect the stated mission of the institution of higher education, including religious missions, and that ensure that the courses or programs of instruction, training, or study offered by the institution of higher education, including distance education or correspondence courses or programs, are of sufficient quality to achieve, for the duration of the accreditation period, the stated objective for which the courses or the programs are offered; and

"(B) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance education or correspondence education, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—

"(i) the agency or association's standards effectively address the quality of an institution's distance education

or correspondence education in the areas identified in paragraph (5), except that—

"(I) the agency or association shall not be required to have separate standards, procedures, or policies for the evaluation of distance education or correspondence education institutions or programs in order to meet the requirements of this subparagraph; and

"(II) in the case that the agency or association is recognized by the Secretary, the agency or association shall not be required to obtain the approval of the Secretary to expand its scope of accreditation to include distance education or correspondence education, provided that the agency or association notifies the Secretary in writing of the change in scope; and

"(ii) the agency or association requires an institution that offers distance education or correspondence education to have processes through which the institution establishes that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the program and receives the academic credit;";

(B) in paragraph (5), by amending subparagraph (A) to read as follows:

"(A) success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, as established by the institution, including, as appropriate, consideration of State licensing examinations, consideration of course completion, and job placement rates;";

(C) by striking paragraph (6) and inserting the following:

"(6) such an agency or association shall establish and apply review procedures throughout the accrediting process, including evaluation and withdrawal proceedings, which comply with due process procedures that provide—

"(A) for adequate written specification of—

"(i) requirements, including clear standards for an institution of higher education or program to be accredited; and

"(ii) identified deficiencies at the institution or program examined;

"(B) for sufficient opportunity for a written response, by an institution or program, regarding any deficiencies identified by the agency or association to be considered by the agency or association—

"(i) within a timeframe determined by the agency or association; and

"(ii) prior to final action in the evaluation and withdrawal proceedings;

"(C) upon the written request of an institution or program, for an opportunity for the institution or program to appeal any adverse action under this section, including denial, withdrawal, suspension, or termination of accreditation, taken against the institution or program, prior to such action becoming final at a hearing before an appeals panel that—

"(i) shall not include current members of the agency's or association's underlying decisionmaking body that made the adverse decision; and

"(ii) is subject to a conflict of interest policy;

"(D) for the right to representation and participation by counsel for an institution or program during an appeal of the adverse action;

"(E) for a process, in accordance with written procedures developed by the agency or association, through which an institution or program, before a final adverse action based solely upon a failure to meet a standard or criterion pertaining to finances, may on one occasion seek review of significant financial information that was unavailable to the institution or program prior to the determination of the adverse action, and that bears materially on the financial deficiencies identified by the agency or association;

"(F) in the case that the agency or association determines that the new financial information submitted by the institution or program under subparagraph (E) meets the criteria of significance and materiality described in such subparagraph, for consideration by the agency or association of the new financial information prior to the adverse action described in such subparagraph becoming final; and

"(G) that any determination by the agency or association made with respect to the new financial information described in subparagraph (E) shall not be separately appealable by the institution or program.";

(2) in subsection (c)—

(A) in paragraph (1), by inserting ", including those regarding distance education" after "their responsibilities";

(B) by redesignating paragraphs (2) through (6) as paragraphs (4) through (8);

(C) by inserting after paragraph (1) (as amended by subparagraph (A)) the following:

"(2) monitors the growth of programs at institutions that are experiencing significant enrollment growth;

"(3) requires an institution to submit for approval to the accrediting agency a teach-out plan upon the occurrence of any of the following events:

"(A) the Department notifies the accrediting agency of an action against the institution pursuant to section 487(f);

"(B) the accrediting agency acts to withdraw, terminate, or suspend the accreditation of the institution; or

"(C) the institution notifies the accrediting agency that the institution intends to cease operations;";

(D) by striking paragraph (7) (as redesignated by subparagraph (B)) and inserting the following:

"(7) makes available to the public and the State licensing or authorizing agency, and submits to the Secretary, a summary of agency or association actions, including—

"(A) the award of accreditation or reaccreditation of an institution;

"(B) final denial, withdrawal, suspension, or termination of accreditation of an institution, and any findings

made in connection with the action taken, together with the official comments of the affected institution; and

"(C) any other adverse action taken with respect to an institution or placement on probation of an institution;";

(E) in paragraph (8) (as redesignated by subparagraph (B)), by striking the period and inserting "; and"; and

(F) by adding at the end the following:

"(9) confirms, as a part of the agency's or association's review for accreditation or reaccreditation, that the institution has transfer of credit policies—

"(A) that are publicly disclosed; and

"(B) that include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education.";

(3) in subsection (g), by adding at the end the following: "Nothing in this section shall be construed to permit the Secretary to establish any criteria that specifies, defines, or prescribes the standards that accrediting agencies or associations shall use to assess any institution's success with respect to student achievement.";

(4) in subsection (o), by adding at the end the following: "Notwithstanding any other provision of law, the Secretary shall not promulgate any regulation with respect to the standards of an accreditation agency or association described in subsection (a)(5).''; and

(5) by adding at the end the following new subsection:

"(p) RULE OF CONSTRUCTION.—Nothing in subsection (a)(5) shall be construed to restrict the ability of—

"(1) an accrediting agency or association to set, with the involvement of its members, and to apply, accreditation standards for or to institutions or programs that seek review by the agency or association; or

"(2) an institution to develop and use institutional standards to show its success with respect to student achievement, which achievement may be considered as part of any accreditation review.

"(q) REVIEW OF SCOPE CHANGES.—The Secretary shall require a review, at the next available meeting of the National Advisory Committee on Institutional Quality and Integrity, of any change in scope undertaken by an agency or association under subsection (a)(4)(B)(i)(II) if the enrollment of an institution that offers distance education or correspondence education that is accredited by such agency or association increases by 50 percent or more within any one institutional fiscal year.".

SEC. 496. ELIGIBILITY AND CERTIFICATION PROCEDURES.

Section 498 (20 U.S.C. 1099c) is amended—

(1) in subsection (d)(1)(B), by inserting "and" after the semicolon; and

(2) by adding at the end the following:

"(k) TREATMENT OF TEACH-OUTS AT ADDITIONAL LOCATIONS.—

"(1) IN GENERAL.—A location of a closed institution of higher education shall be eligible as an additional location of an eligible institution of higher education, as defined pursuant to regulations of the Secretary, for the purposes of a teach-out described in section 487(f), if such teach-out has been approved by the institution's accrediting agency.

"(2) SPECIAL RULE.—An institution of higher education that conducts a teach-out through the establishment of an additional location described in paragraph (1) shall be permitted to establish a permanent additional location at a closed institution and shall not be required—

"(A) to meet the requirements of sections 102(b)(1)(E) and 102(c)(1)(C) for such additional location; or

"(B) to assume the liabilities of the closed institution.".

SEC. 497. PROGRAM REVIEW AND DATA.

Section 498A(b) (20 U.S.C. 1099c–1(b)) is amended—

(1) in paragraph (4), by striking "and" after the semicolon;

(2) in paragraph (5) by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(6) provide to an institution of higher education an adequate opportunity to review and respond to any program review report and relevant materials related to the report before any final program review report is issued;

"(7) review and take into consideration an institution of higher education's response in any final program review report or audit determination, and include in the report or determination—

"(A) a written statement addressing the institution of higher education's response;

"(B) a written statement of the basis for such report or determination; and

"(C) a copy of the institution's response; and

"(8) maintain and preserve at all times the confidentiality of any program review report until the requirements of paragraphs (6) and (7) are met, and until a final program review is issued, other than to the extent required to comply with paragraph (5), except that the Secretary shall promptly disclose any and all program review reports to the institution of higher education under review.".

SEC. 498. REVIEW OF REGULATIONS.

Section 498B (20 U.S.C. 1099c–2) is amended by striking subsection (d).

PART I—COMPETITIVE LOAN AUCTION PILOT PROGRAM

SEC. 499. COMPETITIVE LOAN AUCTION PILOT PROGRAM EVALUATION.

Section 499 (20 U.S.C. 1099d) is amended—

(1) in subsection (b)(3)—

(A) in subparagraph (B)—

(i) in clause (i), by striking "and" after the semicolon;

(ii) in clause (ii), by striking the period at the end of the sentence and inserting "; and"; and

(iii) by adding at the end the following:

"(iii) a commitment from such eligible lender that, if the lender has a winning bid under subparagraph (F), the lender will enter into the agreement required under subparagraph (G).";

(B) by striking subparagraph (G) and inserting the following:

"(G) AGREEMENT WITH SECRETARY; COMPLIANCE.—

"(i) AGREEMENT.—Each eligible lender having a winning bid under subparagraph (F) shall enter into an agreement with the Secretary under which the eligible lender—

"(I) agrees to originate eligible Federal PLUS Loans under this paragraph to each borrower who—

"(aa) seeks an eligible Federal PLUS Loan under this paragraph to enable a dependent student to attend an institution of higher education within the State;

"(bb) is eligible for an eligible Federal PLUS Loan; and

"(cc) elects to borrow from the eligible lender; and

"(II) agrees to accept a special allowance payment (after the application of section 438(b)(2)(I)(v)) from the Secretary with respect to the eligible Federal PLUS Loans originated under subclause (I) in the amount proposed in the second lowest winning bid described in subparagraph (F) for the applicable State auction.

"(ii) COMPLIANCE.—If an eligible lender with a winning bid under subparagraph (F) fails to enter into the agreement required under clause (i), or fails to comply with the terms of such agreement, the Secretary may sanction such eligible lender through one or more of the following:

"(I) The assessment of a penalty on such eligible lender for any eligible Federal PLUS Loans that such eligible lender fails to originate under this paragraph in accordance with the agreement required under clause (i), in the amount of the additional costs (including the amounts of any increase in special allowance payments) incurred by the Secretary in obtaining another eligible lender to originate such eligible Federal PLUS Loans. The Secretary shall collect such penalty by—

"(aa) reducing the amount of any payments otherwise due to such eligible lender from the Secretary by the amount of the penalty; or

"(bb) requesting any other Federal agency to reduce the amount of any payments due to such eligible lender from such agency by the amount of the penalty, in accordance with section 3716 of title 31, United States Code.

"(II) A prohibition of bidding by such lender in other auctions under this section.

"(III) The limitation, suspension, or termination of such eligible lender's participation in the loan program under part B.

"(IV) Any other enforcement action the Secretary is authorized to take under part B."; and

(C) by striking subparagraph (J) and inserting the following:

"(J) GUARANTEE AGAINST LOSSES.—Each eligible Federal PLUS Loan originated under this paragraph shall be insured by a guaranty agency in accordance with part B, except that, notwithstanding section 428(b)(1)(G), such insurance shall be in an amount equal to 99 percent of the unpaid principal and interest due on the loan."; and

(2) by adding at the end the following new subsections:

"(c) REQUIRED INITIAL EVALUATION.—The Secretary and Secretary of the Treasury shall jointly conduct an evaluation, in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General, of the pilot program carried out by the Secretary under this section. The evaluation shall determine—

"(1) the extent of the savings to the Federal Government that are generated through the pilot program, compared to the cost the Federal Government would have incurred in operating the PLUS loan program under section 428B in the absence of the pilot program;

"(2) the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program;

"(3) the number and volume of loans made under the pilot program in each State;

"(4) the effect of the transition to and operation of the pilot program on the ability of—

"(A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;

"(B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and

"(C) parents to obtain loans made through the pilot program in a timely and efficient manner;

"(5) the differential impact, if any, of the auction among the States, including between rural and non-rural States; and

"(6) the feasibility of using the mechanism piloted to operate the other loan programs under part B of this title.

"(d) REPORTS.—

"(1) IN GENERAL.—The Secretary and the Secretary of the Treasury shall submit to the authorizing committees—

"(A) not later than September 1, 2010, a preliminary report regarding the findings of the evaluation described in subsection (c);

"(B) not later than September 1, 2012, an interim report regarding such findings; and

"(C) not later than September 1, 2013, a final report regarding such findings.

"(2) CONTENTS.—The Secretary shall include, in each report required under subparagraphs (A), (B), and (C) of paragraph (1), any recommendations, that are based on the findings of the evaluation under subsection (c), for—

"(A) improving the operation and administration of the auction; and

"(B) improving the operation and administration of other loan programs under part B.".

TITLE V—DEVELOPING INSTITUTIONS

SEC. 501. AUTHORIZED ACTIVITIES.

Section 503(b) (20 U.S.C. 1101b(b)) is amended—

(1) by redesignating paragraphs (6), (7), (8), (9), (10), (11), (12), (13), and (14), as paragraphs (7), (8), (9), (10), (11), (12), (13), (14), and (16), respectively;

(2) in paragraph (5), by inserting ", including innovative and customized instruction courses (which may include remedial education and English language instruction) designed to help retain students and move the students rapidly into core courses and through program completion" before the period at the end;

(3) by inserting after paragraph (5) the following:

"(6) Articulation agreements and student support programs designed to facilitate the transfer from two-year to four-year institutions.";

(4) by inserting after paragraph (14) (as redesignated by paragraph (1)) the following:

"(15) Providing education, counseling services, or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV."; and

(5) in paragraph (11) (as redesignated by paragraph (1)), by striking "distance learning academic instruction capabilities" and inserting "distance education technologies".

SEC. 502. POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) AMENDMENTS.—Title V (20 U.S.C. 1101 et seq.) is amended—

(1) by redesignating part B as part C;

(2) by redesignating sections 511 through 518 as sections 521 through 528, respectively; and

(3) by inserting after section 505 the following:

"PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

"SEC. 511. PURPOSES.

"The purposes of this part are—

"(1) to expand postbaccalaureate educational opportunities for, and improve the academic attainment of, Hispanic students; and

"(2) to expand the postbaccalaureate academic offerings and enhance the program quality in the institutions of higher education that are educating the majority of Hispanic college students and helping large numbers of Hispanic and low-income students complete postsecondary degrees.

"SEC. 512. PROGRAM AUTHORITY AND ELIGIBILITY.

"(a) PROGRAM AUTHORIZED.—Subject to the availability of funds appropriated to carry out this part, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the authorized activities described in section 513.

"(b) ELIGIBILITY.—For the purposes of this part, an 'eligible institution' means an institution of higher education that—

"(1) is a Hispanic-serving institution (as defined in section 502); and

"(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

"SEC. 513. AUTHORIZED ACTIVITIES.

"Grants awarded under this part shall be used for one or more of the following activities:

"(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

"(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

"(4) Support for low-income postbaccalaureate students including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

"(5) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

"(6) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

"(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

"(8) Other activities proposed in the application submitted pursuant to section 514 that—

"(A) contribute to carrying out the purposes of this part; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"SEC. 514. APPLICATION AND DURATION.

"(a) APPLICATION.—Any eligible institution may apply for a grant under this part by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for Hispanic and low-income students.

"(b) DURATION.—Grants under this part shall be awarded for a period not to exceed five years.

"(c) LIMITATION.—The Secretary may not award more than one grant under this part in any fiscal year to any Hispanic-serving institution.".

(b) CONFORMING AMENDMENTS.—Title V (20 U.S.C. 1101 et seq.) is amended—

(1) in section 502—

(A) in subsection (a)(2)(A)(ii), by striking "section 512(b)" and inserting "section 522(b)"; and

(B) in subsection (b)(2), by striking "section 512(a)" and inserting "section 522(a)";

(2) in section 521(c)(6) (as redesignated by subsection (a)(2)), by striking "section 516" and inserting "section 526"; and

(3) in section 526 (as redesignated by subsection (a)(2)), by striking "section 518" and inserting "section 528".

SEC. 503. APPLICATIONS.

Section 521(b)(1)(A) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103(b)(1)(A)) is amended by striking "subsection (b)" and inserting "subsection (c)".

SEC. 504. COOPERATIVE ARRANGEMENTS.

Section 524(a) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103c(a)) is amended by striking "section 503" and inserting "sections 503 and 513".

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

Section 528(a) (as redesignated by section 502(a)(2)) (20 U.S.C. 1103g(a)) is amended to read as follows:

"(a) AUTHORIZATIONS.—

"(1) PARTS A AND C.—There are authorized to be appropriated to carry out parts A and C $175,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

"(2) PART B.—There are authorized to be appropriated to carry out part B $100,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.".

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 601. FINDINGS; PURPOSES; CONSULTATION; SURVEY.

Section 601 (20 U.S.C. 1121) is amended—

(1) in the section heading, by striking "**AND PURPOSES**" and inserting "**; PURPOSES; CONSULTATION; SURVEY**";

(2) in subsection (a)(3), by striking "post-Cold War";

(3) in subsection (b)(1)(D), by inserting ", including through linkages with overseas institutions" before the semicolon; and

(4) by adding at the end the following:

"(c) CONSULTATION.—

"(1) IN GENERAL.—The Secretary shall, prior to requesting applications for funding under this title during each grant cycle, consult with and receive recommendations regarding national need for expertise in foreign languages and world

regions from the head officials of a wide range of Federal agencies.

"(2) CONSIDERING RECOMMENDATIONS; PROVIDING INFORMATION.—The Secretary—

"(A) may take into account the recommendations described in paragraph (1); and

"(B) shall—

"(i) provide information collected under paragraph (1) when requesting applications for funding under this title; and

"(ii) make available to applicants a list of areas identified as areas of national need.

"(d) SURVEY.—The Secretary shall assist grantees in developing a survey to administer to students who have completed programs under this title to determine postgraduate employment, education, or training. All grantees, where applicable, shall administer such survey once every two years and report survey results to the Secretary.".

SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.

Section 602 (20 U.S.C. 1122) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education or consortia of such institutions for the purpose of establishing, strengthening, and operating—

"(i) comprehensive foreign language and area or international studies centers and programs; and

"(ii) a diverse network of undergraduate foreign language and area or international studies centers and programs.";

(B) in paragraph (2)—

(i) by striking "and" at the end of subparagraph (G);

(ii) by striking the period at the end of subparagraph (H) and inserting a semicolon; and

(iii) by inserting after subparagraph (H) the following new subparagraphs:

"(I) supporting instructors of the less commonly taught languages; and

"(J) projects that support students in the science, technology, engineering, and mathematics fields to achieve foreign language proficiency."; and

(C) in paragraph (4)—

(i) in subparagraph (C)—

(I) by striking "Programs of linkage or outreach" and inserting "Partnerships or programs of linkage and outreach"; and

(II) by inserting ", including Federal or State scholarship programs for students in related areas" before the period at the end;

(ii) in subparagraph (E)—

(I) by striking "foreign area" and inserting "area studies";

(II) by striking "of linkage and outreach"; and

(III) by striking "(C), and (D)" and inserting "(D), and (E)";

(iii) by redesignating subparagraphs (C) through (E) (as so amended) as subparagraphs (D) through (F), respectively; and

(iv) by inserting after subparagraph (B) the following:

"(C) Programs of linkage or outreach between or among—

"(i) postsecondary programs or departments in foreign language, area studies, or other international fields; and

"(ii) State educational agencies or local educational agencies.";

(2) in subsection (b)—

(A) in the subsection heading, by striking "GRADUATE"; and

(B) by striking paragraph (2) and inserting the following:

"(2) ELIGIBLE STUDENTS.—A student receiving a stipend described in paragraph (1) shall be engaged—

"(A) in an instructional program with stated performance goals for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program; and

"(B)(i) in the case of an undergraduate student, in the intermediate or advanced study of a less commonly taught language; or

"(ii) in the case of a graduate student, in graduate study in connection with a program described in subparagraph (A), including—

"(I) predissertation level study;

"(II) preparation for dissertation research;

"(III) dissertation research abroad; or

"(IV) dissertation writing."; and

(3) by striking subsection (d) and inserting the following:

"(d) ALLOWANCES.—

"(1) GRADUATE LEVEL RECIPIENTS.—A stipend awarded to a graduate level recipient may include allowances for dependents and for travel for research and study in the United States and abroad.

"(2) UNDERGRADUATE LEVEL RECIPIENTS.—A stipend awarded to an undergraduate level recipient may include an allowance for educational programs in the United States or educational programs abroad that—

"(A) are closely linked to the overall goals of the recipient's course of study; and

"(B) have the purpose of promoting foreign language fluency and knowledge of foreign cultures.

"(e) APPLICATION.—Each institution of higher education or consortium of such institutions desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require. Each such application shall include—

"(1) an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs; and

"(2) a description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in areas of need in the education, business, and nonprofit sectors.".

SEC. 603. LANGUAGE RESOURCE CENTERS.

Section 603(c) (20 U.S.C. 1123(c)) is amended by inserting "reflect the purposes of this part and" after "shall".

SEC. 604. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

Section 604 (20 U.S.C. 1124) is amended—

(1) in subsection (a)(1), by striking "combinations" each place it appears and inserting "consortia";

(2) in subsection (a)(2)—

(A) in subparagraph (B), by amending clause (ii) to read as follows:

"(ii) pre-service teacher training and in-service teacher professional development;";

(B) by redesignating subparagraphs (I) through (M) as subparagraphs (J) through (N), respectively; and

(C) by inserting after subparagraph (H) the following new subparagraph:

"(I) the provision of grants for educational programs abroad that—

"(i) are closely linked to the program's overall goals; and

"(ii) have the purpose of promoting foreign language fluency and knowledge of world regions;";

(3) in subsection (a)(4)(B), by inserting "that demonstrates a need for a waiver or reduction" before the period at the end;

(4) in subsection (a)(6), by inserting "reflect the purposes of this part and" after "shall";

(5) in subsection (a)(7)—

(A) in subparagraph (C), by striking "and" after the semicolon;

(B) in subparagraph (D), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(E) a description of how the applicant will provide information to students regarding federally funded scholarship programs in related areas;

"(F) an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, where applicable; and

"(G) a description of how the applicant will encourage service in areas of national need, as identified by the Secretary."; and

(6) in subsection (c)—

(A) by striking "(c) FUNDING SUPPORT.—The Secretary" and inserting the following:

"(c) FUNDING SUPPORT.—

"(1) IN GENERAL.—The Secretary";

(B) by striking "10" and inserting "20"; and

(C) by adding at the end the following:

"(2) GRANTEES.—Of the total amount of grant funds awarded to a grantee under this section, the grantee may use not more than ten percent of such funds for the activity described in subsection (a)(2)(I).".

SEC. 605. RESEARCH; STUDIES.

Section 605(a) (20 U.S.C. 1125(a)) is amended—

(1) in paragraph (8), by striking "and" after the semicolon;

(2) in paragraph (9), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(10) evaluation of the extent to which programs assisted under this title reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, as described in the grantee's application;

"(11) the systematic collection, analysis, and dissemination of data that contribute to achieving the purposes of this part; and

"(12) support for programs or activities to make data collected, analyzed, or disseminated under this section publicly available and easy to understand.".

SEC. 606. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

Section 606 (20 U.S.C. 1126) is amended—

(1) in subsection (a)—

(A) by striking "or consortia of such institutions or libraries" and inserting "or partnerships between such institutions and other such institutions, libraries, or nonprofit educational organizations";

(B) by striking "new electronic technologies" and inserting "electronic technologies";

(C) by inserting "from foreign sources" after "disseminate information";

(D) by striking "(a) AUTHORITY.— The Secretary" and inserting the following:

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Secretary"; and

(E) by adding at the end the following:

"(2) GRANT RECIPIENTS.—The Secretary may award grants under this section to carry out the activities authorized under this section to the following:

"(A) An institution of higher education.

"(B) A public or nonprofit private library.

"(C) A partnership of an institution of higher education and one or more of the following:

"(i) Another institution of higher education.

"(ii) A library.

"(iii) A nonprofit educational organization.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "to facilitate access to" and inserting "to acquire, facilitate access to,";

(B) in paragraph (3), by inserting "or standards for" after "means of";

(C) in paragraph (6), by striking "and" after the semicolon;

(D) in paragraph (7), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

"(8) to establish linkages to facilitate carrying out the activities described in this subsection between—

"(A) the institutions of higher education, libraries, and partnerships receiving grants under this section; and

"(B) institutions of higher education, nonprofit educational organizations, and libraries overseas; and

"(9) to carry out other activities that the Secretary determines are consistent with the purpose of the grants awarded under this section."; and

(3) in subsection (c), by striking "institution or consortium" and inserting "institution of higher education, library, or partnership".

SEC. 607. SELECTION OF CERTAIN GRANT RECIPIENTS.

Section 607 (20 U.S.C. 1127) is amended—

(1) in subsection (a), by striking "evaluates the applications for comprehensive and undergraduate language and area centers and programs." and inserting "evaluates—

"(1) the applications for comprehensive foreign language and area or international studies centers and programs; and

"(2) the applications for undergraduate foreign language and area or international studies centers and programs."; and

(2) in subsection (b), by adding at the end the following: "In keeping with the purposes of this part, the Secretary shall take into account the degree to which activities of centers, programs, and fellowships at institutions of higher education address national needs, and generate information for and disseminate information to the public. The Secretary shall also consider an applicant's record of placing students into postgraduate employment, education, or training in areas of national need and an applicant's stated efforts to increase the number of such students that go into such placements.".

SEC. 608. AMERICAN OVERSEAS RESEARCH CENTERS.

Section 609 (20 U.S.C. 1128a) is amended by adding at the end the following:

"(e) APPLICATION.—Each center desiring to receive a grant or contract under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require.".

SEC. 609. AUTHORIZATION OF APPROPRIATIONS FOR INTERNATIONAL AND FOREIGN LANGUAGE STUDIES.

Section 610 (20 U.S.C. 1128b) is amended—

(1) by striking "$80,000,000" and inserting "such sums as may be necessary";

(2) by striking "1999" and inserting "2009"; and

(3) by striking "4" and inserting "five".

SEC. 610. CONFORMING AMENDMENTS.

(a) Sections 603(a), 604(a)(5), and 612 (20 U.S.C. 1123(a), 1124(a)(5), 1130–1) are each amended by striking "combinations" each place it appears and inserting "consortia".

(b) Section 612 (20 U.S.C. 1130–1) is further amended by striking "combination" each place it appears and inserting "consortium".

SEC. 611. BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS.

(a) CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.—Section 612 (20 U.S.C. 1130–1) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(B) by inserting before paragraph (2) (as redesignated by subparagraph (A)) the following:

"(1) PURPOSE.—The purpose of this section is to coordinate the programs of the Federal Government in the areas of research, education, and training in international business and trade competitiveness.";

(2) in subsection (c)(2)——

(A) in subparagraph (E), by inserting "(including those that are eligible to receive assistance under part A or B of title III or under title V)" after "other institutions of higher education";

(B) by striking "and" at the end of subparagraph (E);

(C) by redesignating subparagraph (F) as subparagraph (G); and

(D) by inserting the following new subparagraph after subparagraph (E):

"(F) programs encouraging the advancement and understanding of technology-related disciplines, including manufacturing software systems and technology management; and"; and

(3) in subsection (f)(3), by inserting ", and that diverse perspectives will be made available to students in programs under this section" before the semicolon.

(b) EDUCATION AND TRAINING PROGRAMS.—Section 613(c) (20 U.S.C. 1130a(c)) is amended by adding at the end the following: "Each such application shall include an assurance that, where applicable, the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 614 (20 U.S.C. 1130b) is amended—

(1) in subsection (a)—

(A) by striking "$11,000,000" and inserting "such sums as may be necessary";

(B) by striking "1999" and inserting "2009"; and

(C) by striking "4" and inserting "five"; and

(2) in subsection (b)—

(A) by striking "$7,000,000" and inserting "such sums as may be necessary";

(B) by striking "1999" and inserting "2009"; and

(C) by striking "4" and inserting "five".

SEC. 612. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

Section 621 (20 U.S.C. 1131) is amended—

(1) in subsection (a), by striking the second sentence and inserting the following: "The Institute shall conduct a program to enhance the international competitiveness of the United

States by increasing the participation of underrepresented populations in the international service, including private international voluntary organizations and the foreign service of the United States.";

(2) in subsection (b)(1)—

(A) by striking subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (A) the following:

"(B) A tribally controlled college or university or Alaska Native or Native Hawaiian-serving institution eligible for assistance under part A or B of title III, or an institution eligible for assistance under title V.

"(C) An institution of higher education that serves substantial numbers of underrepresented minority students."; and

(3) in subsection (c)—

(A) by striking "(c) APPLICATION.—Each" and inserting the following:

"(c) APPLICATION.—

"(1) IN GENERAL.—Each"; and

(B) by adding at the end the following:

"(2) CONTENT OF APPLICATION.—Each application submitted under paragraph (1) shall include a description of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, where applicable.".

SEC. 613. INSTITUTIONAL DEVELOPMENT.

Section 622 (20 U.S.C. 1131–1) is amended—

(1) in subsection (a)—

(A) by striking "Tribally Controlled Colleges or Universities" and inserting "tribally controlled colleges or universities"; and

(B) by striking "international affairs programs." and inserting "international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, which may include collaboration with institutions of higher education that receive funding under this title"; and

(2) in subsection (c)—

(A) by striking paragraphs (1) and (3);

(B) by redesignating paragraphs (2) and (4) as paragraphs (1) and (2), respectively; and

(C) in paragraph (1) (as redesignated by subparagraph (B)), by inserting "and" after the semicolon.

SEC. 614. STUDY ABROAD PROGRAM.

Section 623(a) (20 U.S.C. 1131a(a)) is amended—

(1) by striking "as defined in section 322 of this Act"; and

(2) by striking "tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978" and inserting "tribally controlled colleges or universities, Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions".

SEC. 615. ADVANCED DEGREE IN INTERNATIONAL RELATIONS.

Section 624 (20 U.S.C. 1131b) is amended—

(1) by striking "**MASTERS**" in the heading of such section and inserting "**ADVANCED**";

(2) by striking "a masters degree in international relations" and inserting "an advanced degree in international relations, international affairs, international economics, or other academic areas related to the Institute fellow's career objectives"; and

(3) by striking "The masters degree program designed by the consortia" and inserting "The advanced degree study program shall be designed by the consortia, consistent with the fellow's career objectives, and".

SEC. 616. INTERNSHIPS.

Section 625 (20 U.S.C. 1131c) is amended—

(1) in subsection (a)—

(A) by striking "as defined in section 322 of this Act";

(B) by striking "tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978" and inserting "tribally controlled colleges or universities, Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions";

(C) by striking "an international" and inserting "international,"; and

(D) by striking "the United States Information Agency" and inserting "the Department of State";

(2) in subsection (b)—

(A) by inserting "and" after the semicolon at the end of paragraph (2);

(B) by striking "; and" at the end of paragraph (3) and inserting a period; and

(C) by striking paragraph (4); and

(3) in subsection (c)(1)—

(A) in subparagraph (E), by inserting "and" after the semicolon;

(B) in subparagraph (F), by striking "; and" and inserting a period; and

(C) by striking subparagraph (G).

SEC. 617. FINANCIAL ASSISTANCE.

Part C of title VI (20 U.S.C. 1131 et seq.) is further amended—

(1) by redesignating sections 626, 627, and 628 as sections 627, 628, and 629, respectively; and

(2) by inserting after section 625 the following:

"SEC. 626. FINANCIAL ASSISTANCE.

"(a) AUTHORITY.—The Institute may provide financial assistance, in the form of summer stipends described in subsection (b) and Ralph Bunche scholarship assistance described in subsection (c), to low-income students to facilitate the participation of the students in the Institute's programs under this part.

"(b) SUMMER STIPENDS.—

"(1) REQUIREMENTS.—A student receiving a summer stipend under this section shall use such stipend to defray the student's cost of participation in a summer institute program funded under this part, including the costs of travel, living,

and educational expenses necessary for the student's participation in such program.

"(2) AMOUNT.—A summer stipend awarded to a student under this section shall not exceed $3,000 per summer.

"(c) RALPH BUNCHE SCHOLARSHIP.—

"(1) REQUIREMENTS.—A student receiving a Ralph Bunche scholarship under this section—

"(A) shall be a full-time student at an institution of higher education who is accepted into a program funded under this part; and

"(B) shall use such scholarship to pay costs related to the cost of attendance, as defined in section 472, at the institution of higher education in which the student is enrolled.

"(2) AMOUNT AND DURATION.—A Ralph Bunche scholarship awarded to a student under this section shall not exceed $5,000 per academic year.".

SEC. 618. REPORT.

Section 627 (as redesignated by section 617(1)) (20 U.S.C. 1131d) is amended by striking "annually prepare a report" and inserting "prepare a report once every two years".

SEC. 619. GIFTS AND DONATIONS.

Section 628 (as redesignated by section 617(1)) (20 U.S.C. 1131e) is amended by striking "annual report described in section 626" and inserting "report described in section 627".

SEC. 620. AUTHORIZATION OF APPROPRIATIONS FOR THE INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.

Section 629 (as redesignated by section 617(1)) (20 U.S.C. 1131f) is amended—

(1) by striking "$10,000,000" and inserting "such sums as may be necessary";

(2) by striking "1999" and inserting "2009"; and

(3) by striking "4 succeeding" and inserting "five succeeding".

SEC. 621. DEFINITIONS.

Section 631 (20 U.S.C. 1132) is amended—

(1) by striking paragraph (7);

(2) by redesignating paragraphs (2), (3), (4), (5), (6), (8), and (9), as paragraphs (7), (4), (8), (2), (10), (6), and (3), respectively;

(3) in paragraph (2), as redesignated by paragraph (2), by striking "comprehensive language and area center" and inserting "comprehensive foreign language and area or international studies center";

(4) in paragraph (3), as redesignated by paragraph (2), by striking the period at the end and inserting a semicolon;

(5) by inserting after paragraph (4), as redesignated by paragraph (2), the following:

"(5) the term 'historically Black college and university' has the meaning given the term 'part B institution' in section 322;";

(6) in paragraph (6), as redesignated by paragraph (2), by striking "and" after the semicolon;

(7) by inserting after paragraph (8), as redesignated by paragraph (2), the following:

"(9) the term 'tribally controlled college or university' has the meaning given the term in section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801); and"; and

(8) in paragraph (10), as redesignated by paragraph (2)—

(A) by striking "undergraduate language and area center" and inserting "undergraduate foreign language and area or international studies center"; and

(B) by striking the semicolon and inserting a period.

SEC. 622. NEW PROVISIONS.

Part D of title VI (20 U.S.C. 1132) is amended by adding at the end the following:

"SEC. 632. SPECIAL RULE.

"The Secretary may waive or reduce the non-Federal share required under this title for institutions that—

"(1) are eligible to receive assistance under part A or B of title III or under title V; and

"(2) have submitted a grant application under this section that demonstrates a need for a waiver or reduction, as determined by the Secretary.".

"SEC. 633. RULE OF CONSTRUCTION.

"Nothing in this title shall be construed to authorize the Secretary to mandate, direct, or control an institution of higher education's specific instructional content, curriculum, or program of instruction.

"SEC. 634. ASSESSMENT.

"The Secretary is authorized to assess and ensure compliance with all the conditions and terms of grants provided under this title.

"SEC. 635. EVALUATION, OUTREACH, AND INFORMATION.

"The Secretary may use not more than one percent of the funds made available under this title to carry out program evaluation, national outreach, and information dissemination activities relating to the programs authorized under this title.

"SEC. 636. REPORT.

"The Secretary shall, in consultation and collaboration with the Secretary of State, the Secretary of Defense, and the heads of other relevant Federal agencies, submit a report once every two years that identifies areas of national need in foreign language, area, and international studies as such studies relate to government, education, business, and nonprofit needs, and a plan to address those needs. The report shall be provided to the authorizing committees and made available to the public.

"SEC. 637. SCIENCE AND TECHNOLOGY ADVANCED FOREIGN LANGUAGE EDUCATION GRANT PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to support programs in institutions of higher education that—

"(1) encourage students to develop—

"(A) an understanding of science and technology; and

"(B) foreign language proficiency;

"(2) foster future international scientific collaboration;

"(3) provide for professional development opportunities for elementary school and secondary school teachers of critical foreign languages to increase the number of highly qualified teachers in critical foreign languages; and

"(4) increase the number of United States students who achieve the highest level of proficiency in foreign languages critical to the security and competitiveness of the Nation.

"(b) DEVELOPMENT.—The Secretary shall develop a program for the awarding of grants to institutions of higher education that develop innovative programs for the teaching of foreign languages, which may include the preparation of teachers to teach foreign languages.

"(c) REGULATIONS AND REQUIREMENTS.—The Secretary shall promulgate regulations for the awarding of grants under subsection (b). Such regulations may require institutions of higher education to use grant funds for, among other things—

"(1) the development of an on-campus cultural awareness program by which students attend classes taught in a foreign language and study the science and technology developments and practices in a non-English speaking country;

"(2) immersion programs where students take science or technology related course work in a non-English speaking country;

"(3) other programs, such as summer workshops, that emphasize the intense study of a foreign language and science technology;

"(4) if applicable, recruiting highly qualified teachers in critical foreign languages, and providing professional development activities for such teachers at the elementary school and secondary school levels; and

"(5) providing innovative opportunities for students that will allow for critical language learning, such as immersion environments, intensive study opportunities, internships, and distance learning.

"(d) GRANT DISTRIBUTION.—In distributing grants to institutions of higher education under this section, the Secretary shall give priority to—

"(1) institutions that have programs focusing on curricula that combine the study of foreign languages and the study of science and technology and produce graduates who have both skills; and

"(2) institutions teaching critical foreign languages.

"(e) REPORT ON BEST PRACTICES.—Not later than one year after the date of enactment of this section, the Secretary shall—

"(1) conduct a study to identify the best practices to strengthen the role of institutions of higher education that receive funding under title III or title V in increasing the critical foreign language education efforts in the United States; and

"(2) submit a report on the results of such study to the authorizing committees.

"(f) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 2009 and for each subsequent fiscal year.

"SEC. 638. REPORTING BY INSTITUTIONS.

"(a) APPLICABILITY.—The data requirement in subsection (b) shall apply to an institution of higher education that receives funds for a center or program under this title if—

"(1) the amount of the contribution (including cash and the fair market value of any property) received from any foreign government or from a foreign private sector corporation or foundation during any fiscal year exceeds $250,000 in the aggregate; and

"(2) the aggregate contribution, or a significant part of the aggregate contribution, is to be used by a center or program receiving funds under this title.

"(b) DATA REQUIRED.—The Secretary shall require an institution of higher education referred to in subsection (a) to report information listed in subsection (a) to the Secretary consistent with the requirements of section 117.".

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 701. PURPOSE.

Section 700(1)(B)(i) (20 U.S.C. 1133(1)(B)(i)) is amended by inserting ", including those areas critical to United States national and homeland security needs, such as science, technology, engineering, and mathematics" before the semicolon.

SEC. 702. JACOB K. JAVITS FELLOWSHIP PROGRAM.

(a) INTERRUPTIONS OF STUDY.—Section 701(c) (20 U.S.C. 1134(c)) is amended by adding at the end the following new sentence: "In the case of other exceptional circumstances, such as active duty military service or personal or family member illness, the institution of higher education may also permit the fellowship recipient to interrupt periods of study for the duration of the tour of duty (in the case of military service) or for not more than 12 months (in any other case), but without payment of the stipend.".

(b) ALLOCATION OF FELLOWSHIPS.—Section 702(a)(1) (20 U.S.C. 1134a(a)(1)) is amended to read as follows:

"(1) APPOINTMENT.—

"(A) IN GENERAL.—The Secretary shall appoint a Jacob K. Javits Fellows Program Fellowship Board (referred to in this subpart as the 'Board') consisting of 9 individuals representative of both public and private institutions of higher education who are especially qualified to serve on the Board.

"(B) QUALIFICATIONS.—In making appointments under subparagraph (A), the Secretary shall—

"(i) give due consideration to the appointment of individuals who are highly respected in the academic community;

"(ii) appoint members who represent the various geographic regions of the United States;

"(iii) ensure that individuals appointed to the Board are broadly representative of a range of disciplines in graduate education in arts, humanities, and social sciences; and

"(iv) ensure that such individuals include representatives from institutions that are eligible for one or more of the grants under title III or V.".

(c) STIPENDS.—

(1) Section 703 (20 U.S.C. 1134b) is amended—

(A) in subsection (a)—

(i) by striking "1999–2000" and inserting "2009–2010"; and

(ii) by striking "Foundation graduate fellowships" and inserting "Foundation Graduate Research Fellowship Program for such academic year"; and

(B) in subsection (b), by striking paragraph (1)(A) and inserting the following:

"(1) IN GENERAL.—(A) The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship under this subpart at such institution, an institutional allowance. Except as provided in subparagraph (B), such allowance shall be, for academic year 2009–2010 and succeeding academic years, the same amount as the institutional payment made for academic year 2008–2009, adjusted for academic year 2009–2010 and annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 705 (20 U.S.C. 1134d) is amended by striking "fiscal year 1999" and all that follows through the period at the end and inserting "fiscal year 2009 and each of the five succeeding fiscal years to carry out this subpart.".

SEC. 703. GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED.

(a) INSTITUTIONAL ELIGIBILITY.—Section 712 (20 U.S.C. 1135a) is amended by striking subsection (b) and inserting the following:

"(b) DESIGNATION OF AREAS OF NATIONAL NEED.—After consultation with appropriate Federal and nonprofit agencies and organizations, including the National Science Foundation, the Department of Defense, the Department of Homeland Security, the National Academy of Sciences, and the Bureau of Labor Statistics, the Secretary shall designate areas of national need. In making such designations, the Secretary shall take into consideration—

"(1) the extent to which the interest in the area is compelling;

"(2) the extent to which other Federal programs support postbaccalaureate study in the area concerned;

"(3) an assessment of how the program may achieve the most significant impact with available resources; and

"(4) an assessment of current (as of the time of the designation) and future professional workforce needs of the United States.".

(b) AWARDS TO GRADUATE STUDENTS.—Section 714(b) (20 U.S.C. 1135c(b)) is amended—

(1) by striking "1999–2000" and inserting "2009–2010"; and

(2) by striking "Foundation graduate fellowships" and inserting "Foundation Graduate Research Fellowship Program for such academic year".

(c) ADDITIONAL ASSISTANCE.—Section 715(a)(1) (20 U.S.C. 1135d(a)(1)) is amended—

(1) by striking "1999–2000" and inserting "2009–2010"; and

(2) by striking "1998–1999" and inserting "2008–2009".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 716 (20 U.S.C. 1135e) is amended by striking "fiscal year 1999" and all that follows through the period at the end and inserting "fiscal year 2009 and each of the five succeeding fiscal years to carry out this subpart.".

(e) TECHNICAL AMENDMENTS.—Subpart 2 of part A of title VII (as amended by this section) (20 U.S.C. 113 et seq.) is further amended—

(1) in section 711(a)(1) (20 U.S.C. 1135(a)(1)), by inserting ", including a master's or doctoral degree," after "leading to a graduate degree";

(2) in section 712(a) (20 U.S.C. 1135a(a)), by inserting ", including a master's or doctoral degree," after "leading to a graduate degree";

(3) in section 713(b)(5)(C) (20 U.S.C. 1135b(b)(5)(C)), by inserting "at the institution" before the semicolon; and

(4) in section 714(c) (20 U.S.C. 1135c(c))—

(A) by striking "716(a)" and inserting "715(a)"; and

(B) by striking "714(b)(2)" and inserting "713(b)(2)".

SEC. 704. THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

(a) PROGRAM AUTHORITY.—

(1) Section 721(a) (20 U.S.C. 1136(a)) is amended—

(A) by inserting "secondary school and" after "disadvantaged"; and

(B) by inserting "and admission to law practice" before the period at the end.

(b) ELIGIBILITY.—Section 721(b) (20 U.S.C. 1136(b)) is amended in the matter preceding paragraph (1), by inserting "secondary school student or" before "college student".

(c) CONTRACT AND GRANT PURPOSES.—Section 721(c) (20 U.S.C. 1136(c)) is amended—

(1) in paragraph (1), by inserting "secondary school and" before "college students";

(2) by striking paragraph (2) and inserting the following:

"(2) to prepare such students for successful completion of a baccalaureate degree and for study at accredited law schools, and to assist them with the development of analytical skills, writing skills, and study methods to enhance the students' success in, and promote the students' admission to and completion of, law school;";

(3) in paragraph (4), by striking "and" after the semicolon; and

(4) by striking paragraph (5) and inserting the following:

"(5) to motivate and prepare such students—

"(A) with respect to law school studies and practice in low-income communities; and

"(B) to provide legal services to low-income individuals and families; and

"(6) to award Thurgood Marshall Fellowships to eligible law school students—

"(A) who participated in summer institutes under subsection (d)(6) and who are enrolled in an accredited law school; or

"(B) who have successfully completed a comparable summer institute program that is certified by the Council on Legal Education Opportunity.".

(d) SERVICES PROVIDED.—Section 721(d) (20 U.S.C. 1136(d)) is amended—

(1) in the matter preceding paragraph (1), by inserting "pre-college programs, undergraduate" before "pre-law";

(2) in paragraph (1)—

(A) in subparagraph (B), by inserting "law school" before "graduation"; and

(B) by striking subparagraph (D) and inserting the following:

"(D) pre-college and undergraduate preparatory courses in analytical and writing skills, study methods, and course selection;";

(3) by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively;

(4) by inserting after paragraph (1) the following:

"(2) summer academic programs for secondary school students who have expressed interest in a career in the law;"; and

(5) in paragraph (7) (as redesignated by paragraph (3)), by inserting "and Associates" after "Thurgood Marshall Fellows".

(e) DURATION.—Section 721(e)(1) (20 U.S.C. 1136(e)(1)) is amended by inserting ", including before and during undergraduate study" before the semicolon.

(f) SUBCONTRACTS AND SUBGRANTS.—Section 721(f) (20 U.S.C. 1136(f)) is amended—

(1) by inserting "national and State bar associations," after "agencies and organizations,"; and

(2) by striking "and organizations." and inserting "organizations, and associations.".

(g) STIPENDS.—Section 721(g) (20 U.S.C. 1136(g)) is amended to read as follows:

"(g) FELLOWSHIPS AND STIPENDS.—The Secretary shall annually establish the maximum fellowship to be awarded, and the maximum stipend to be paid (including allowances for participant travel and for the travel of the dependents of the participant), to Thurgood Marshall Fellows or Associates for the period of participation in summer institutes, midyear seminars, and bar preparation seminars. A Thurgood Marshall Fellow or Associate may be eligible for such a fellowship or stipend only if the Fellow or Associate maintains satisfactory academic progress toward the Juris Doctor or Bachelor of Laws degree, as determined by the respective institutions (except with respect to a law school graduate enrolled in a bar preparation course).".

(h) AUTHORIZATION OF APPROPRIATIONS.—Section 721(h) (20 U.S.C. 1136(h)) is amended by striking "fiscal year 1999" and all that follows through the period at the end and inserting "fiscal year 2009 and each of the five succeeding fiscal years.".

(i) REPEAL OF CONTINUATION AWARDS.—Subsection (e) of section 731 (20 U.S.C. 1137(e)) is repealed.

SEC. 705. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) addressing the under-representation of women and minorities in the higher education professoriate will require consistent inter-institutional cooperation, data gathering, analysis, and self-evaluation; and

(2) institutions eligible for funds under part A of title VII of the Higher Education Act of 1965 (20 U.S.C. 1134 et seq.) should be encouraged to consider the feasibility and potential design of an inter-institution monitoring organization addressing under-representation by race, ethnicity, and gender in postsecondary faculty and administrators.

SEC. 706. MASTERS DEGREE PROGRAMS AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND PREDOMINANTLY BLACK INSTITUTIONS.

(a) TECHNICAL AMENDMENTS.—Part A of title VII (as amended by this title) (20 U.S.C. 1134 et seq.) is further amended—

(1) by redesignating subpart 4 as subpart 5;

(2) in the heading of section 731, by striking "**SUBPARTS 1, 2, AND 3**" and inserting "**SUBPARTS 1 THROUGH 4**"; and

(3) in section 731—

(A) in subsections (a) and (b), by striking "subparts 1, 2, and 3" each place the term appears and inserting "subparts 1 through 4"; and

(B) in subsection (d), by striking "subpart 1, 2, or 3" and inserting "subpart 1, 2, 3, or 4".

(b) MASTER'S DEGREE PROGRAMS.—Part A of title VII (as amended by this title) (20 U.S.C. 1134 et seq.) is further amended by inserting after subpart 3 the following:

"Subpart 4—Masters Degree Programs at Historically Black Colleges and Universities and Predominantly Black Institutions

"SEC. 723. MASTERS DEGREE PROGRAMS AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

"(a) GRANT PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the institutions listed in subsection (b)(1) that is determined by the Secretary to be making a substantial contribution to graduate education opportunities at the masters level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines for Black Americans.

"(2) ASSURANCE OF NON-FEDERAL MATCHING FUNDS.—No grant in excess of $1,000,000 may be made under this section unless the institution provides assurances that 50 percent of the cost of the purposes for which the grant is made will be paid from non-Federal sources, except that no institution shall be required to match any portion of the first $1,000,000 of the institution's award from the Secretary. After funds are made available to each eligible institution under the funding rules described in subsection (f), the Secretary shall distribute, on a pro rata basis, any amounts which were not so made available (by reason of the failure of an institution to comply

with the matching requirements of this paragraph) among the institutions that have complied with such matching requirement.

"(3) MINIMUM AWARD.—Subject to subsections (f) and (g), the amount awarded to each eligible institution listed in subsection (b)(1) for a fiscal year shall be not less than $500,000.

"(4) DURATION OF GRANTS.—A grant awarded under this section shall be for a period of not more than six years, but may be periodically renewed for a period to be determined by the Secretary.

"(b) INSTITUTIONAL ELIGIBILITY.—

"(1) IN GENERAL.—Institutions eligible for grants under subsection (a) are the following:

"(A) Albany State University.
"(B) Alcorn State University.
"(C) Claflin University.
"(D) Coppin State University.
"(E) Elizabeth City State University.
"(F) Fayetteville State University.
"(G) Fisk University.
"(H) Fort Valley State University.
"(I) Grambling State University.
"(J) Kentucky State University.
"(K) Mississippi Valley State University.
"(L) Savannah State University.
"(M) South Carolina State University.
"(N) University of Arkansas, Pine Bluff.
"(O) Virginia State University.
"(P) West Virginia Sate University.
"(Q) Wilberforce University.
"(R) Winston-Salem State University.

"(2) QUALIFIED MASTERS DEGREE PROGRAM.—

"(A) IN GENERAL.—For the purposes of this section, the term 'qualified masters degree program' means a masters degree program that provides a program of instruction in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented and has students enrolled in such program of instruction at the time of application for a grant under this section.

"(B) ENROLLMENT EXCEPTION.—Notwithstanding the enrollment requirement contained in subparagraph (A), an institution may use an amount equal to not more than 10 percent of the institution's grant under this section for the development of a new qualified masters degree program.

"(3) INSTITUTIONAL CHOICE.—The president or chancellor of the institution may decide which graduate school or qualified masters degree program will receive funds under the grant in any one fiscal year, if the allocation of funds among the schools or programs is delineated in the application for funds submitted to the Secretary under this section.

"(4) ONE GRANT PER INSTITUTION.—The Secretary shall not award more than one grant under this section in any fiscal year to any institution of higher education.

"(c) APPLICATION.—An eligible institution listed in subsection (b)(1) desiring a grant under this section shall submit an application at such time, in such manner, and containing such information as the Secretary may require. The application shall—

"(1) demonstrate how the grant funds under this section will be used to improve graduate educational opportunities for Black and low-income students, and lead to greater financial independence; and

"(2) provide, in the case of applications for grants in excess of $1,000,000, the assurances required under subsection (a)(2) and specify the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

"(d) USES OF FUNDS.—A grant under this section may be used for—

"(1) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

"(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;

"(3) purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials;

"(4) scholarships, fellowships, and other financial assistance for needy graduate students to permit the enrollment of the students in, and completion of, a masters degree in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented;

"(5) establishing or improving a development office to strengthen and increase contributions from alumni and the private sector;

"(6) assisting in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331;

"(7) funds and administrative management, and the acquisition of equipment, including software, for use in strengthening funds management and management information systems;

"(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or improvement of, or an addition to, campus facilities;

"(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

"(10) tutoring, counseling, and student service programs designed to improve academic success;

"(11) faculty professional development, faculty exchanges, and faculty participation in professional conferences and meetings; and

"(12) other activities proposed in the application submitted under subsection (c) that—

"(A) contribute to carrying out the purposes of this section; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"(e) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, or 724 for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

"(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

"(1) the first $9,000,000 (or any lesser amount appropriated) shall be available only for the purposes of making minimum grants under subsection (a)(3) to eligible institutions listed in subparagraphs (A) through (R) of subsection (b)(1), except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced;

"(2) after the application of paragraph (1), an amount shall be available for the purpose of making minimum grants under subsection (a)(3) to eligible institutions listed in subsection (b)(1) that do not receive a grant under paragraph (1), if any, except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced; and

"(3) any amount in excess of $9,000,000 shall be made available to each of the eligible institutions identified in subparagraphs (A) through (R) of subsection (b)(1), pursuant to a formula developed by the Secretary that uses the following elements:

"(A) The ability of the institution to match Federal funds with non-Federal funds.

"(B) The number of students enrolled in the qualified masters degree program at the eligible institution in the previous academic year.

"(C) The average cost of attendance per student, for all full-time students enrolled in the qualified masters degree program at such institution.

"(D) The number of students in the previous year who received a degree in the qualified masters degree program at such institution.

"(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving masters degrees in the disciplines related to the programs for the previous year.

"(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no eligible institution identified in subsection (b)(1) that receives a grant under this section for fiscal year 2009 and that is eligible to receive a grant for a subsequent fiscal year shall receive a grant amount for any such subsequent fiscal year that is less than the grant amount received for fiscal year 2009, unless—

"(1) the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs that received grants under this section for such fiscal year and

that are eligible to receive a grant in such subsequent fiscal year; or

"(2) the institution cannot provide sufficient matching funds to meet the requirements of this section.

"SEC. 724. MASTERS DEGREE PROGRAMS AT PREDOMINANTLY BLACK INSTITUTIONS.

"(a) GRANT PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the institutions listed in subsection (b)(1) that is determined by the Secretary to be making a substantial contribution to graduate education opportunities at the masters level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines for Black Americans.

"(2) ASSURANCE OF NON-FEDERAL MATCHING FUNDS.—No grant in excess of $1,000,000 may be made under this section unless the institution provides assurances that 50 percent of the cost of the purposes for which the grant is made will be paid from non-Federal sources, except that no institution shall be required to match any portion of the first $1,000,000 of the institution's award from the Secretary. After funds are made available to each eligible institution under the funding rules described in subsection (f), the Secretary shall distribute, on a pro rata basis, any amounts which were not so made available (by reason of the failure of an institution to comply with the matching requirements of this paragraph) among the institutions that have complied with such matching requirement.

"(3) MINIMUM AWARD.—Subject to subsections (f) and (g), the amount awarded to each eligible institution listed in subsection (b)(1) for a fiscal year shall be not less than $500,000.

"(4) DURATION OF GRANTS.—A grant awarded under this section shall be for a period of not more than six years, but may be periodically renewed for a period to be determined by the Secretary.

"(b) INSTITUTIONAL ELIGIBILITY.—

"(1) IN GENERAL.—Institutions eligible for grants under subsection (a) are the following:

"(A) Chicago State University.

"(B) Columbia Union College.

"(C) Long Island University, Brooklyn campus.

"(D) Robert Morris College.

"(E) York College, The City University of New York.

"(2) QUALIFIED MASTERS DEGREE PROGRAM.—

"(A) IN GENERAL.—For the purposes of this section, the term 'qualified masters degree program' means a masters degree program that provides a program of instruction in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented and has students enrolled in such program of instruction at the time of application for a grant under this section.

"(B) ENROLLMENT EXCEPTION.—Notwithstanding the enrollment requirement contained in subparagraph (A), an institution may use an amount equal to not more than 10 percent of the institution's grant under this section for the development of a new qualified masters degree program.

"(3) INSTITUTIONAL CHOICE.—The president or chancellor of the institution may decide which graduate school or qualified masters degree program will receive funds under the grant in any one fiscal year, if the allocation of funds among the schools or programs is delineated in the application for funds submitted to the Secretary under this section.

"(4) ONE GRANT PER INSTITUTION.—The Secretary shall not award more than one grant under this section in any fiscal year to any institution of higher education.

"(c) APPLICATION.—An eligible institution listed in subsection (b)(1) desiring a grant under this section shall submit an application at such time, in such manner, and containing such information as the Secretary may require. The application shall—

"(1) demonstrate how the grant funds under this section will be used to improve graduate educational opportunities for Black and low-income students and lead to greater financial independence; and

"(2) provide, in the case of applications for grants in excess of $1,000,000, the assurances required under subsection (a)(2) and specify the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

"(d) USES OF FUNDS.—A grant under this section may be used for—

"(1) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

"(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;

"(3) purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials;

"(4) scholarships, fellowships, and other financial assistance for needy graduate students to permit the enrollment of the students in, and completion of, a masters degree in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented;

"(5) establishing or improving a development office to strengthen and increase contributions from alumni and the private sector;

"(6) assisting in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331;

"(7) funds and administrative management, and the acquisition of equipment, including software, for use in strengthening funds management and management information systems;

"(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or improvement of, or an addition to, campus facilities;

"(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

"(10) tutoring, counseling, and student service programs designed to improve academic success;

"(11) faculty professional development, faculty exchanges, and faculty participation in professional conferences and meetings; and

"(12) other activities proposed in the application submitted under subsection (c) that—

"(A) contribute to carrying out the purposes of this section; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"(e) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, or 723 for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

"(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

"(1) the first $2,500,000 (or any lesser amount appropriated) shall be available only for the purposes of making minimum grants under subsection (a)(3) to eligible institutions listed in subparagraphs (A) through (E) of subsection (b)(1), except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced;

"(2) after the application of paragraph (1), an amount shall be available for the purpose of making minimum grants under subsection (a)(3) to eligible institutions described in subsection (b)(1) that do not receive a grant under paragraph (1), if any, except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced; and

"(3) any amount in excess of $2,500,000 shall be made available to each of the eligible institutions identified in subparagraphs (A) through (E) of subsection (b)(1), pursuant to a formula developed by the Secretary that uses the following elements:

"(A) The ability of the institution to match Federal funds with non-Federal funds.

"(B) The number of students enrolled in the qualified masters degree program at the eligible institution in the previous academic year.

"(C) The average cost of attendance per student, for all full-time students enrolled in the qualified masters degree program at such institution.

"(D) The number of students in the previous year who received a degree in the qualified masters degree program at such institution.

"(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving masters degrees in the disciplines related to the programs for the previous year.

"(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no eligible institution identified in subsection (b)(1) that receives a grant under this section for fiscal year 2009 and that is eligible to receive a grant in a subsequent fiscal year shall receive a grant amount in any such subsequent fiscal year that is less than the grant amount received for fiscal year 2009, unless—

"(1) the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs that received grants under this section for such fiscal year and that are eligible to receive a grant in such subsequent fiscal year; or

"(2) the institution cannot provide sufficient matching funds to meet the requirements of this section.

"SEC. 725. AUTHORIZATION OF APPROPRIATIONS.

"(a) MASTERS DEGREE PROGRAMS AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—There are authorized to be appropriated to carry out section 723 such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"(b) MASTERS DEGREE PROGRAMS AT PREDOMINANTLY BLACK INSTITUTIONS.—There are authorized to be appropriated to carry out section 724 such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 707. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

(a) CONTRACT AND GRANT PURPOSES.—Section 741(a) (20 U.S.C. 1138(a)) is amended—

(1) by striking paragraphs (1) through (3) and inserting the following:

"(1) the encouragement of reform and improvement of, and innovation in, postsecondary education and the provision of educational opportunity for all students, including nontraditional students;

"(2) the creation of institutions, programs, and joint efforts involving paths to career and professional training, including—

"(A) efforts that provide academic credit for programs; and

"(B) combinations of academic and experiential learning;

"(3) the establishment and continuation of institutions, programs, consortia, collaborations, and other joint efforts based on communications technology, including those efforts that utilize distance education and technological advancements to educate and train postsecondary students (including health professionals serving medically underserved populations);";

(2) by striking paragraph (6) and inserting the following:

"(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering postsecondary institutions and pursuing programs of postsecondary study tailored to individual needs;";

(3) in paragraph (7), by striking "and" after the semicolon;

(4) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

"(9) the introduction of reforms in remedial education, including English language instruction, to customize remedial courses to student goals and help students progress rapidly from remedial courses into core courses and through postsecondary program completion;

"(10) the provision of support and assistance to partnerships between institutions of higher education and secondary schools with a significant population of students identified as late-entering limited English proficient students, to establish programs that—

"(A) result in increased secondary school graduation rates of limited English proficient students; and

"(B) increase the number of participating late-entering limited English proficient students who pursue postsecondary education;

"(11) the creation of consortia that join diverse institutions of higher education to design and offer curricular and cocurricular interdisciplinary programs at the undergraduate and graduate levels, sustained for not less than a 5 year period, that—

"(A) focus on poverty and human capability; and

"(B) include—

"(i) a service-learning component; and

"(ii) the delivery of educational services through informational resource centers, summer institutes, midyear seminars, and other educational activities that stress the effects of poverty and how poverty can be alleviated through different career paths;

"(12) the provision of support and assistance for demonstration projects to provide comprehensive support services to ensure that homeless students, or students who were in foster care or were a ward of the court at any time before the age of 13, enroll and succeed in postsecondary education, including providing housing to such students during periods when housing at the institution of higher education is closed or generally unavailable to other students; and

"(13) the support of efforts to work with institutions of higher education, and nonprofit organizations, that seek to promote cultural diversity in the entertainment media industry, including through the training of students in production, marketing, and distribution of culturally relevant content.".

(b) CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—Section 741 (20 U.S.C. 1138) is further amended by adding at the end the following:

"(c) CENTER FOR BEST PRACTICES TO SUPPORT SINGLE PARENT STUDENTS.—

"(1) PROGRAM AUTHORIZED.—The Secretary is authorized to award one grant or contract to an institution of higher education to enable such institution to establish and maintain a center to study and develop best practices for institutions of higher education to support single parents who are also students attending such institutions.

"(2) INSTITUTION REQUIREMENTS.—The Secretary shall award the grant or contract under this subsection to a four-

year institution of higher education that has demonstrated expertise in the development of programs to assist single parents who are students at institutions of higher education, as shown by the institution's development of a variety of targeted services to such students, including on-campus housing, child care, counseling, advising, internship opportunities, financial aid, and financial aid counseling and assistance.

"(3) CENTER ACTIVITIES.—The center funded under this section shall—

"(A) assist institutions implementing innovative programs that support single parents pursuing higher education;

"(B) study and develop an evaluation protocol for such programs that includes quantitative and qualitative methodologies;

"(C) provide appropriate technical assistance regarding the replication, evaluation, and continuous improvement of such programs; and

"(D) develop and disseminate best practices for such programs.".

(c) PROHIBITION.—Section 741 (20 U.S.C. 1138) is further amended by adding after subsection (c) (as added by subsection (b) of this section) the following:

"(d) PROHIBITION.—

"(1) IN GENERAL.—No funds made available under this part shall be used to provide direct financial assistance in the form of grants or scholarships to students who do not meet the requirements of section 484(a).

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prevent a student who does not meet the requirements of section 484(a) from participating in programs funded under this part.".

(d) PRIORITY.—Section 741 (20 U.S.C. 1138) is further amended by adding after subsection (d) (as added by subsection (c) of this section) the following:

"(e) PRIORITY.—In making grants under this part to any institution of higher education after the date of enactment of the Higher Education Opportunity Act, the Secretary may give priority to institutions that meet or exceed the most current version of ASHRAE/IES Standard 90.1 (as such term is used in section 342(a)(6) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)(6)) for any new facilities construction or major renovation of the institution after such date, except that this subsection shall not apply with respect to barns or greenhouses or similar structures owned by the institution.".

(e) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY.—Section 741 (20 U.S.C. 1138) is further amended by adding after subsection (e) (as added by subsection (d) of this section) the following:

"(f) SCHOLARSHIP PROGRAM FOR FAMILY MEMBERS OF VETERANS OR MEMBERS OF THE MILITARY.—

"(1) AUTHORIZATION.—The Secretary shall enter into a contract with a nonprofit organization with demonstrated success in carrying out the activities described in this subsection to carry out a program to provide postsecondary education scholarships for eligible students.

"(2) DEFINITION OF ELIGIBLE STUDENT.—In this subsection, the term 'eligible student' means an individual who is enrolled as a full-time or part-time student at an institution of higher education (as defined in section 102) and is—

"(A) a dependent student who is a child of—

"(i) an individual who is—

"(I) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

"(II) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481); or

"(ii) a veteran who—

"(I) served or performed, as described in clause (i), since September 11, 2001; and

"(II) died, or has been disabled, as a result of such service or performance; or

"(B) an independent student who—

"(i) is a spouse of an individual who is—

"(I) serving on active duty during a war or other military operation or national emergency (as defined in section 481); or

"(II) performing qualifying National Guard duty during a war or other military operation or national emergency (as defined in section 481);

"(ii) was (at the time of death of the veteran) a spouse of a veteran who—

"(I) served or performed, as described in clause (i), since September 11, 2001; and

"(II) died as a result of such service or performance; or

"(iii) is a spouse of a veteran who—

"(I) served or performed, as described in clause (i), since September 11, 2001; and

"(II) has been disabled as a result of such service or performance.

"(3) AWARDING OF SCHOLARSHIPS.—Scholarships awarded under this subsection shall be awarded based on need with priority given to eligible students who are eligible to receive Federal Pell Grants under subpart 1 of part A of title IV.

"(4) MAXIMUM SCHOLARSHIP AMOUNT.—The maximum scholarship amount awarded to an eligible student under this subsection for an award year shall be the lesser of $5,000, or the student's cost of attendance (as defined in section 472).

"(5) AMOUNTS FOR SCHOLARSHIPS.—All of the amounts appropriated to carry out this subsection for a fiscal year shall be used for scholarships awarded under this subsection, except that the nonprofit organization receiving a contract under this subsection may use not more than one percent of such amounts for the administrative costs of the contract.".

(f) AREAS OF NATIONAL NEED.—Section 744(c) (20 U.S.C. 1138c(c)) is amended to read as follows:

"(c) AREAS OF NATIONAL NEED.—Areas of national need shall include, at a minimum, the following:

"(1) Institutional restructuring to improve learning and promote productivity, efficiency, quality improvement, and cost reduction.

"(2) Improvements in academic instruction and student learning, including efforts designed to assess the learning gains made by postsecondary students.

"(3) Articulation between two- and four-year institutions of higher education, including developing innovative methods for ensuring the successful transfer of students from two- to four-year institutions of higher education.

"(4) Development, evaluation, and dissemination of model courses, including model courses that—

"(A) provide students with a broad and integrated knowledge base;

"(B) include, at a minimum, broad survey courses in English literature, American and world history, American political institutions, economics, philosophy, college-level mathematics, and the natural sciences; and

"(C) include study of a foreign language that leads to reading and writing competency in the foreign language.

"(5) International cooperation and student exchanges among postsecondary educational institutions.

"(6) Support of centers to incorporate education in quality and safety into the preparation of medical and nursing students, through grants to medical schools, nursing schools, and osteopathic schools. Such grants shall be used to assist in providing courses of instruction that specifically equip students to—

"(A) understand the causes of, and remedies for, medical error, medically induced patient injuries and complications, and other defects in medical care;

"(B) engage effectively in personal and systemic efforts to continually reduce medical harm; and

"(C) improve patient care and outcomes, as recommended by the Institute of Medicine.".

(g) AUTHORIZATION OF APPROPRIATIONS FOR THE FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.—Section 745 (20 U.S.C. 1138d) is amended by striking "$30,000,000 for fiscal year 1999" and all that follows through the period at the end and inserting "such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

(h) TECHNICAL FIPSE AMENDMENTS.—Part B of title VII (20 U.S.C. 1138 et seq.) is further amended—

(1) in section 742 (20 U.S.C. 1138a)—

(A) in subsection (b)—

(i) by striking "(b) MEMBERSHIP.—" and all that follows through "The Secretary" and inserting "(b) MEMBERSHIP.—The Secretary"; and

(ii) by striking paragraph (2);

(B) in subsection (c), by striking "and the Director" each place the term appears; and

(C) in subsection (d), by striking "Director" and inserting "Secretary";

(2) in section 743 (20 U.S.C. 1138b)—

(A) by striking "(a) TECHNICAL EMPLOYEES.—"; and

(B) by striking subsection (b); and

(3) in section 744(a) (20 U.S.C. 1138c(a)), by striking "Director" each place the term appears and inserting "Secretary".

SEC. 708. REPEAL OF THE URBAN COMMUNITY SERVICE PROGRAM.

Part C of title VII (20 U.S.C. 1139 et seq.) is repealed.

SEC. 709. PROGRAMS TO PROVIDE STUDENTS WITH DISABILITIES WITH A QUALITY HIGHER EDUCATION.

Title VII (20 U.S.C. 1133 et seq.) is further amended—

(1) by redesignating section 771 (20 U.S.C. 1141) as section 781; and

(2) by striking part D of title VII (20 U.S.C. 1140 et seq.) and inserting the following:

"PART D—PROGRAMS TO PROVIDE STUDENTS WITH DISABILITIES WITH A QUALITY HIGHER EDUCATION

"SEC. 760. DEFINITIONS.

"In this part:

"(1) COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAM FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—The term 'comprehensive transition and postsecondary program for students with intellectual disabilities' means a degree, certificate, or nondegree program that is—

"(A) offered by an institution of higher education;

"(B) designed to support students with intellectual disabilities who are seeking to continue academic, career and technical, and independent living instruction at an institution of higher education in order to prepare for gainful employment;

"(C) includes an advising and curriculum structure; and

"(D) requires students with intellectual disabilities to participate on not less than a half-time basis, as determined by the institution, with such participation focusing on academic components and occurring through one or more of the following activities:

"(i) Regular enrollment in credit-bearing courses with nondisabled students offered by the institution.

"(ii) Auditing or participating in courses with nondisabled students offered by the institution for which the student does not receive regular academic credit.

"(iii) Enrollment in noncredit-bearing, nondegree courses with nondisabled students.

"(iv) Participation in internships or work-based training in settings with nondisabled individuals.

"(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term 'student with an intellectual disability' means a student—

"(A) with mental retardation or a cognitive impairment, characterized by significant limitations in—

"(i) intellectual and cognitive functioning; and

"(ii) adaptive behavior as expressed in conceptual, social, and practical adaptive skills; and

"(B) who is currently, or was formerly, eligible for a free appropriate public education under the Individuals with Disabilities Education Act.

"Subpart 1—Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrators in Educating Students With Disabilities

"SEC. 761. PURPOSE.

"It is the purpose of this subpart to support model demonstration projects to provide technical assistance or professional development for postsecondary faculty, staff, and administrators in institutions of higher education to enable such faculty, staff, and administrators to provide students with disabilities with a quality postsecondary education.

"SEC. 762. GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.

"(a) COMPETITIVE GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.—

"(1) IN GENERAL.—From amounts appropriated under section 765, the Secretary may award grants, contracts, and cooperative agreements, on a competitive basis, to institutions of higher education to enable the institutions to carry out the activities under subsection (b).

"(2) AWARDS FOR PROFESSIONAL DEVELOPMENT AND TECHNICAL ASSISTANCE.—Not less than two grants, contracts, cooperative agreements, or a combination of such awards shall be awarded to institutions of higher education that provide professional development and technical assistance in order for students with learning disabilities to receive a quality postsecondary education.

"(b) DURATION; ACTIVITIES.—

"(1) DURATION.—A grant, contract, or cooperative agreement under this subpart shall be awarded for a period of three years.

"(2) AUTHORIZED ACTIVITIES.—A grant, contract, or cooperative agreement awarded under this subpart shall be used to carry out one or more of the following activities:

"(A) TEACHING METHODS AND STRATEGIES.—The development of innovative, effective, and efficient teaching methods and strategies, consistent with the principles of universal design for learning, to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to teach and meet the academic and programmatic needs of students with disabilities, in order to improve the retention of such students in, and the completion by such students of, postsecondary education. Such methods and strategies may include in-service training, professional development, customized and general technical assistance, workshops, summer institutes, distance learning, and training in the use of assistive and educational technology.

"(B) EFFECTIVE TRANSITION PRACTICES.—The development of innovative and effective teaching methods and strategies to provide postsecondary faculty, staff, and

administrators with the skill and supports necessary to ensure the successful and smooth transition of students with disabilities from secondary school to postsecondary education.

"(C) SYNTHESIZING RESEARCH AND INFORMATION.—The synthesis of research and other information related to the provision of postsecondary educational services to students with disabilities, including data on the impact of a postsecondary education on subsequent employment of students with disabilities. Such research, information, and data shall be made publicly available and accessible.

"(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the ability to provide accessible distance education programs or classes that would enhance the access of students with disabilities to postsecondary education, including the use of accessible curricula and electronic communication for instruction and advising.

"(E) DISABILITY CAREER PATHWAYS.—

"(i) IN GENERAL.—The provision of information, training, and technical assistance to secondary and postsecondary faculty, staff, and administrators with respect to disability-related fields that would enable such faculty, staff, and administrators to—

"(I) encourage interest and participation in such fields, among students with disabilities and other students;

"(II) enhance awareness and understanding of such fields among students with disabilities and other students;

"(III) provide educational opportunities in such fields for students with disabilities and other students;

"(IV) teach practical skills related to such fields to students with disabilities and other students; and

"(V) offer work-based opportunities in such fields to students with disabilities and other students.

"(ii) DEVELOPMENT.—The training and support described in subclauses (I) through (V) of clause (i) may include offering students—

"(I) credit-bearing postsecondary-level coursework; and

"(II) career and educational counseling.

"(F) PROFESSIONAL DEVELOPMENT AND TRAINING SESSIONS.—The conduct of professional development and training sessions for postsecondary faculty, staff, and administrators from other institutions of higher education to enable such individuals to meet the educational needs of students with disabilities.

"(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development, consistent with the principles of universal design for learning.

"(3) MANDATORY EVALUATION AND DISSEMINATION.—An institution of higher education awarded a grant, contract, or cooperative agreement under this subpart shall evaluate and disseminate to other institutions of higher education, the information obtained through the activities described in subparagraphs (A) through (G) of paragraph (2).

"(c) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants, contracts, or cooperative agreements under this subpart, the Secretary shall consider the following:

"(1) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such awards.

"(2) RURAL AND URBAN AREAS.—Distributing such awards to urban and rural areas.

"(3) RANGE AND TYPE OF INSTITUTION.—Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

"(4) PRIOR EXPERIENCE OR EXCEPTIONAL PROGRAMS.—Distributing the awards to institutions of higher education with demonstrated prior experience in, or exceptional programs for, meeting the postsecondary educational needs of students with disabilities.

"(d) REPORTS.—

"(1) INITIAL REPORT.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all demonstration projects awarded grants under this part for any of fiscal years 1999 through 2008, including a review of the activities and program performance of such demonstration projects based on existing information as of the date of the report.

"(2) SUBSEQUENT REPORT.—Not later than three years after the date of the first award of a grant under this subpart after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

"(A) reviews the activities and program performance of the demonstration projects authorized under this subpart; and

"(B) provides guidance and recommendations on how effective projects can be replicated.

"SEC. 763. APPLICATIONS.

"Each institution of higher education desiring to receive a grant, contract, or cooperative agreement under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

"(1) a description of the activities authorized under this subpart that the institution proposes to carry out, and how such institution plans to conduct such activities in order to further the purpose of this subpart;

"(2) a description of how the institution consulted with a broad range of people within the institution to develop activities for which assistance is sought;

"(3) a description of how the institution will coordinate and collaborate with the office that provides services to students with disabilities within the institution; and

"(4) a description of the extent to which the institution will work to replicate the research-based and best practices of institutions of higher education with demonstrated effectiveness in serving students with disabilities.

"SEC. 764. RULE OF CONSTRUCTION.

"Nothing in this subpart shall be construed to impose any additional duty, obligation, or responsibility on an institution of higher education or on the institution's faculty, administrators, or staff than is required under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"SEC. 765. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"Subpart 2—Transition Programs for Students With Intellectual Disabilities Into Higher Education

"SEC. 766. PURPOSE.

"It is the purpose of this subpart to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

"SEC. 767. MODEL COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From amounts appropriated under section 769(a), the Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of institutions of higher education), to enable the institutions or consortia to create or expand high quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

"(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs.

"(3) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of 5 years.

"(b) APPLICATION.—An institution of higher education (or a consortium) desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(c) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

"(1) provide for an equitable geographic distribution of such grants;

"(2) provide grant funds for model comprehensive transition and postsecondary programs for students with intellectual

disabilities that will serve areas that are underserved by programs of this type; and

"(3) give preference to applications submitted under subsection (b) that agree to incorporate into the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant one or more of the following elements:

"(A) The formation of a partnership with any relevant agency serving students with intellectual disabilities, such as a vocational rehabilitation agency.

"(B) In the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution, the integration of students with intellectual disabilities into the housing offered to nondisabled students.

"(C) The involvement of students attending the institution of higher education who are studying special education, general education, vocational rehabilitation, assistive technology, or related fields in the model program.

"(d) USE OF FUNDS.—An institution of higher education (or consortium) receiving a grant under this section shall use the grant funds to establish a model comprehensive transition and postsecondary program for students with intellectual disabilities that—

"(1) serves students with intellectual disabilities;

"(2) provides individual supports and services for the academic and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the institution of higher education's regular postsecondary program;

"(3) with respect to the students with intellectual disabilities participating in the model program, provides a focus on—

"(A) academic enrichment;

"(B) socialization;

"(C) independent living skills, including self-advocacy skills; and

"(D) integrated work experiences and career skills that lead to gainful employment;

"(4) integrates person-centered planning in the development of the course of study for each student with an intellectual disability participating in the model program;

"(5) participates with the coordinating center established under section 777(b) in the evaluation of the model program;

"(6) partners with one or more local educational agencies to support students with intellectual disabilities participating in the model program who are still eligible for special education and related services under the Individuals with Disabilities Education Act, including the use of funds available under part B of such Act to support the participation of such students in the model program;

"(7) plans for the sustainability of the model program after the end of the grant period; and

"(8) creates and offers a meaningful credential for students with intellectual disabilities upon the completion of the model program.

"(e) MATCHING REQUIREMENT.—An institution of higher education (or consortium) that receives a grant under this section

shall provide matching funds toward the cost of the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant. Such matching funds may be provided in cash or in-kind, and shall be in an amount of not less than 25 percent of the amount of such costs.

"(f) REPORT.—Not later than five years after the date of the first grant awarded under this section, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that—

"(1) reviews the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities funded under this section; and

"(2) provides guidance and recommendations on how effective model programs can be replicated.

"SEC. 768. RULE OF CONSTRUCTION.

"Nothing in this subpart shall be construed to reduce or expand—

"(1) the obligation of a State or local educational agency to provide a free appropriate public education, as defined in section 602 of the Individuals with Disabilities Education Act; or

"(2) eligibility requirements under any Federal, State, or local disability law, including the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), or the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.).

"SEC. 769. AUTHORIZATION OF APPROPRIATIONS AND RESERVATION.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"(b) RESERVATION OF FUNDS.—For any fiscal year for which appropriations are made for this subpart, the Secretary shall reserve funds to enter into a cooperative agreement to establish the coordinating center under section 777(b), in an amount that is—

"(1) not less than $240,000 for any year in which the amount appropriated to carry out this subpart is $8,000,000 or less; or

"(2) equal to 3 percent of the amount appropriated to carry out this subpart for any year in which such amount appropriated is greater than $8,000,000.

"Subpart 3—Commission on Accessible Materials; Programs to Support Improved Access to Materials

"SEC. 771. DEFINITION OF STUDENT WITH A PRINT DISABILITY.

"In this subpart, the term 'student with a print disability' means a student with a disability who experiences barriers to accessing instructional material in nonspecialized formats, including an individual described in section 121(d)(2) of title 17, United States Code.

"SEC. 772. ESTABLISHMENT OF ADVISORY COMMISSION ON ACCESSIBLE INSTRUCTIONAL MATERIALS IN POSTSECONDARY EDUCATION FOR STUDENTS WITH DISABILITIES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a commission to be known as the Advisory Commission on Accessible Instructional Materials in Postsecondary Education for Students with Disabilities (in this section referred to as the 'Commission').

"(2) MEMBERSHIP.—

"(A) TOTAL NUMBER OF MEMBERS.—The Commission shall include not more than 19 members, who shall be appointed by the Secretary in accordance with in subparagraphs (B) and (C).

"(B) MEMBERS OF THE COMMISSION.—The Commission members shall include one representative from each of the following categories:

"(i) The Office of Postsecondary Education of the Department.

"(ii) The Office of Special Education and Rehabilitative Services of the Department.

"(iii) The Office for Civil Rights of the Department.

"(iv) The Library of Congress National Digital Information and Infrastructure Preservation Program Copyright Working Group.

"(v) The Association on Higher Education and Disability.

"(vi) The Association of American Publishers.

"(vii) The Association of American University Presses.

"(viii) The National Council on Disability.

"(ix) Recording for the Blind and Dyslexic.

"(x) National organizations representing individuals with visual impairments.

"(xi) National organizations representing individuals with learning disabilities.

"(C) ADDITIONAL MEMBERS OF THE COMMISSION.—The Commission members shall include two representatives from each of the following categories:

"(i) Staff from institutions of higher education with demonstrated experience teaching or supporting students with print disabilities, including representatives from both two-year and four-year institutions of higher education of different sizes.

"(ii) Producers of accessible materials, publishing software, and supporting technologies in specialized formats, such as Braille, audio or synthesized speech, and digital media.

"(iii) Individuals with visual impairments, including not less than one currently enrolled postsecondary student.

"(iv) Individuals with dyslexia or other learning disabilities related to reading, including not less than one currently enrolled postsecondary student.

"(D) TIMING.—The Secretary shall appoint the members of the Commission not later than 60 days after the Commission is established under paragraph (1).

"(3) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a chairperson and vice chairperson from among the members of the Commission.

"(4) MEETINGS.—

"(A) IN GENERAL.—The Commission shall meet at the call of the Chairperson.

"(B) FIRST MEETING.—Not later than 60 days after the appointment of the members of the Commission under paragraph (2)(D), the Commission shall hold the Commission's first meeting.

"(5) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

"(b) DUTIES OF THE COMMISSION.—

"(1) STUDY.—

"(A) IN GENERAL.—The Commission shall conduct a comprehensive study to—

"(i) assess the barriers and systemic issues that may affect, and technical solutions available that may improve, the timely delivery and quality of accessible instructional materials for postsecondary students with print disabilities, as well as the effective use of such materials by faculty and staff; and

"(ii) make recommendations related to the development of a comprehensive approach to improve the opportunities for postsecondary students with print disabilities to access instructional materials in specialized formats in a timeframe comparable to the availability of instructional materials for postsecondary nondisabled students.

"(B) EXISTING INFORMATION.—To the extent practicable, in carrying out the study under this paragraph, the Commission shall identify and use existing research, recommendations, and information.

"(C) RECOMMENDATIONS.—

"(i) IN GENERAL.—The Commission shall develop recommendations—

"(I) to inform Federal regulations and legislation;

"(II) to support the model demonstration programs authorized under section 773;

"(III) to identify best practices in systems for collecting, maintaining, processing, and disseminating materials in specialized formats to students with print disabilities at costs comparable to instructional materials for postsecondary nondisabled students;

"(IV) to improve the effective use of such materials by faculty and staff, while complying with applicable copyright law; and

"(V) to modify the definitions of instructional materials, authorized entities, and eligible students, as such terms are used in applicable Federal law, for the purpose of improving services to students with disabilities.

"(ii) CONSIDERATIONS.—In developing the recommendations under subparagraph (C), the Commission shall consider—

"(I) how students with print disabilities may obtain instructional materials in accessible formats—

"(aa) within a timeframe comparable to the availability of instructional materials for nondisabled students; and

"(bb) to the maximum extent practicable, at costs comparable to the costs of such materials for nondisabled students;

"(II) the feasibility and technical parameters of establishing standardized electronic file formats, such as the National Instructional Materials Accessibility Standard as defined in section 674(e)(3) of the Individuals with Disabilities Education Act, to be provided by publishers of instructional materials to producers of materials in specialized formats, institutions of higher education, and eligible students;

"(III) the feasibility of establishing a national clearinghouse, repository, or file-sharing network for electronic files in specialized formats and files used in producing instructional materials in specialized formats, and a list of possible entities qualified to administer such clearinghouse, repository, or network;

"(IV) the feasibility of establishing market-based solutions involving collaborations among publishers of instructional materials, producers of materials in specialized formats, and institutions of higher education;

"(V) solutions utilizing universal design; and

"(VI) solutions for low-incidence, high-cost requests for instructional materials in specialized formats.

"(2) REPORT.—Not later than one year after the Commission's first meeting, the Commission shall submit a report to the Secretary and the authorizing committees detailing the findings and recommendations of the study conducted under paragraph (1).

"(3) DISSEMINATION OF INFORMATION.—In carrying out the study under paragraph (1), the Commission shall disseminate information concerning the issues that are the subject of the study through—

"(A) the National Technical Assistance Center established under subpart 4; and

"(B) other means, as determined by the Commission.

"(c) TERMINATION OF THE COMMISSION.—The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the report under subsection (b)(2) to the Secretary and the authorizing committees.

"SEC. 773. MODEL DEMONSTRATION PROGRAMS TO SUPPORT IMPROVED ACCESS TO POSTSECONDARY INSTRUCTIONAL MATERIALS FOR STUDENTS WITH PRINT DISABILITIES.

"(a) PURPOSE.—It is the purpose of this section to support model demonstration programs for the purpose of encouraging the development of systems to improve the quality of postsecondary instructional materials in specialized formats and such materials' timely delivery to postsecondary students with print disabilities, including systems to improve efficiency and reduce duplicative efforts across multiple institutions of higher education.

"(b) DEFINITION OF ELIGIBLE PARTNERSHIP.—In this section, the term 'eligible partnership' means a partnership that—

"(1) shall include—

"(A) an institution of higher education with demonstrated expertise in meeting the needs of students with print disabilities, including the retention of such students in, and such students' completion of, postsecondary education; and

"(B) a public or private entity, other than an institution of higher education, with—

"(i) demonstrated expertise in developing accessible instructional materials in specialized formats for postsecondary students with print disabilities; and

"(ii) the technical development expertise necessary for the efficient dissemination of such materials, including procedures to protect against copyright infringement with respect to the creation, use, and distribution of instructional materials in specialized formats; and

"(2) may include representatives of the publishing industry.

"(c) PROGRAM AUTHORIZED.—From amounts appropriated under section 775, the Secretary shall award grants or contracts, on a competitive basis, to not less than one eligible partnership to enable the eligible partnership to support the activities described in subsection (f) and, as applicable, subsection (g).

"(d) APPLICATION.—An eligible partnership that desires a grant or contract under this section shall submit an application at such time, in such manner, and in such format as the Secretary may prescribe. The application shall include information on how the eligible partnership will implement activities under subsection (f) and, as applicable, subsection (g).

"(e) PRIORITY.—In awarding grants or contracts under this section, the Secretary shall give priority to any applications that include the development and implementation of the procedures and approaches described in paragraphs (2) and (3) of subsection (g).

"(f) REQUIRED ACTIVITIES.—An eligible partnership that receives a grant or contract under this section shall use the grant or contract funds to carry out the following:

"(1) Supporting the development and implementation of the following:

"(A) Processes and systems to help identify, and verify eligibility of, postsecondary students with print disabilities in need of instructional materials in specialized formats.

"(B) Procedures and systems to facilitate and simplify request methods for accessible instructional materials in specialized formats from eligible students described in

subparagraph (A), which may include a single point-of-entry system.

"(C) Procedures and systems to coordinate among institutions of higher education, publishers of instructional materials, and entities that produce materials in specialized formats, to efficiently facilitate—

"(i) requests for such materials;

"(ii) the responses to such requests; and

"(iii) the delivery of such materials.

"(D) Delivery systems that will ensure the timely provision of instructional materials in specialized formats to eligible students, which may include electronic file distribution.

"(E) Systems to reduce duplicative conversions and improve sharing of the same instructional materials in specialized formats for multiple eligible students at multiple institutions of higher education.

"(F) Procedures to protect against copyright infringement with respect to the development, use, and distribution of instructional materials in specialized formats while maintaining accessibility for eligible students, which may include digital technologies such as watermarking, fingerprinting, and other emerging approaches.

"(G) Awareness, outreach, and training activities for faculty, staff, and students related to the acquisition and dissemination of instructional materials in specialized formats and instructional materials utilizing universal design.

"(2) Providing recommendations on how effective procedures and systems described in paragraph (1) may be disseminated and implemented on a national basis.

"(g) AUTHORIZED APPROACHES.—An eligible partnership that receives a grant or contract under this section may use the grant or contract funds to support the development and implementation of the following:

"(1) Approaches for the provision of instructional materials in specialized formats limited to instructional materials used in smaller categories of postsecondary courses, such as introductory, first-, and second-year courses.

"(2) Approaches supporting a unified search for instructional materials in specialized formats across multiple databases or lists of available materials.

"(3) Market-based approaches for making instructional materials in specialized formats directly available to eligible students at prices comparable to standard instructional materials.

"(h) REPORT.—Not later than three years after the date of the first grant or contract awarded under this section, the Secretary shall submit to the authorizing committees a report that includes—

"(1) the number of grants and contracts and the amount of funds distributed under this section;

"(2) a summary of the purposes for which the grants and contracts were provided and an evaluation of the progress made under such grants and contracts;

"(3) a summary of the activities implemented under subsection (f) and, as applicable, subsection (g), including data on the number of postsecondary students with print disabilities

served and the number of instructional material requests executed and delivered in specialized formats; and

"(4) an evaluation of the effectiveness of programs funded under this section.

"(i) MODEL EXPANSION.—The Secretary may, on the basis of the reports under subsection (h) and section 772(b)(2) and any evaluations of the projects funded under this section, expand the program under this section to additional grant or contract recipients that use other programmatic approaches and serve different geographic regions, if the Secretary finds that the models used under this section—

"(1) are effective in improving the timely delivery and quality of materials in specialized formats; and

"(2) provide adequate protections against copyright infringement.

"SEC. 774. RULE OF CONSTRUCTION.

"Nothing in this subpart shall be construed to limit or preempt any State law requiring the production or distribution of postsecondary instructional materials in accessible formats to students with disabilities.

"SEC. 775. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"(b) PRIORITY.—For the first fiscal year for which funds are made available under this section, the Secretary shall give priority to allocating funding for the purposes of section 772.

"Subpart 4—National Technical Assistance Center; Coordinating Center

"SEC. 776. PURPOSE.

"It is the purpose of this subpart to provide technical assistance and information on best and promising practices to students with disabilities, the families of students with disabilities, and entities awarded grants, contracts, or cooperative agreements under subpart 1, 2, or 3 to improve the postsecondary recruitment, transition, retention, and completion rates of students with disabilities.

"SEC. 777. NATIONAL TECHNICAL ASSISTANCE CENTER; COORDINATING CENTER.

"(a) NATIONAL CENTER.—

"(1) IN GENERAL.—From amounts appropriated under section 778, the Secretary shall award a grant to, or enter into a contract or cooperative agreement with, an eligible entity to provide for the establishment and support of a National Center for Information and Technical Support for Postsecondary Students with Disabilities (in this subsection referred to as the 'National Center'). The National Center shall carry out the duties set forth in paragraph (4).

"(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs.

"(3) ELIGIBLE ENTITY.—In this subpart, the term 'eligible entity' means an institution of higher education, a nonprofit

organization, or partnership of two or more such institutions or organizations, with demonstrated expertise in—

"(A) supporting students with disabilities in postsecondary education;

"(B) technical knowledge necessary for the dissemination of information in accessible formats;

"(C) working with diverse types of institutions of higher education, including community colleges; and

"(D) the subjects supported by the grants, contracts, or cooperative agreements authorized in subparts 1, 2, and 3.

"(4) DUTIES.—The duties of the National Center shall include the following:

"(A) ASSISTANCE TO STUDENTS AND FAMILIES.—The National Center shall provide information and technical assistance to students with disabilities and the families of students with disabilities to support students across the broad spectrum of disabilities, including—

"(i) information to assist individuals with disabilities who are prospective students of an institution of higher education in planning for postsecondary education while the students are in secondary school;

"(ii) information and technical assistance provided to individualized education program teams (as defined in section 614(d)(1) of the Individuals with Disabilities Education Act) for secondary school students with disabilities, and to early outreach and student services programs, including programs authorized under subparts 2, 4, and 5 of part A of title IV, to support students across a broad spectrum of disabilities with the successful transition to postsecondary education;

"(iii) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

"(iv) information on student mentoring and networking opportunities for students with disabilities; and

"(v) effective recruitment and transition programs at postsecondary educational institutions.

"(B) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The National Center shall provide information and technical assistance to faculty, staff, and administrators of institutions of higher education to improve the services provided to, the accommodations for, the retention rates of, and the completion rates of, students with disabilities in higher education settings, which may include—

"(i) collection and dissemination of best and promising practices and materials for accommodating and supporting students with disabilities, including practices and materials supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3;

"(ii) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting postsecondary students with disabilities across a range of academic

fields, which may include universal design for learning and practices supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3; and

"(iii) development of technology-based tutorials for higher education faculty and staff, including new faculty and graduate students, on best and promising practices related to support and retention of students with disabilities in postsecondary education.

"(C) INFORMATION COLLECTION AND DISSEMINATION.—The National Center shall be responsible for building, maintaining, and updating a database of disability support services information with respect to institutions of higher education, or for expanding and updating an existing database of disabilities support services information with respect to institutions of higher education. Such database shall be available to the general public through a website built to high technical standards of accessibility practicable for the broad spectrum of individuals with disabilities. Such database and website shall include available information on—

"(i) disability documentation requirements;

"(ii) support services available;

"(iii) links to financial aid;

"(iv) accommodations policies;

"(v) accessible instructional materials;

"(vi) other topics relevant to students with disabilities; and

"(vii) the information in the report described in subparagraph (E).

"(D) DISABILITY SUPPORT SERVICES.—The National Center shall work with organizations and individuals with proven expertise related to disability support services for postsecondary students with disabilities to evaluate, improve, and disseminate information related to the delivery of high quality disability support services at institutions of higher education.

"(E) REVIEW AND REPORT.—Not later than three years after the establishment of the National Center, and every two years thereafter, the National Center shall prepare and disseminate a report to the Secretary and the authorizing committees analyzing the condition of postsecondary success for students with disabilities. Such report shall include—

"(i) a review of the activities and the effectiveness of the programs authorized under this part;

"(ii) annual enrollment and graduation rates of students with disabilities in institutions of higher education from publicly reported data;

"(iii) recommendations for effective postsecondary supports and services for students with disabilities, and how such supports and services may be widely implemented at institutions of higher education;

"(iv) recommendations on reducing barriers to full participation for students with disabilities in higher education; and

"(v) a description of strategies with a demonstrated record of effectiveness in improving the success of such students in postsecondary education.

"(F) STAFFING OF THE CENTER.—In hiring employees of the National Center, the National Center shall consider the expertise and experience of prospective employees in providing training and technical assistance to practitioners.

"(b) COORDINATING CENTER.—

"(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means an entity, or a partnership of entities, that has demonstrated expertise in the fields of—

"(A) higher education;

"(B) the education of students with intellectual disabilities;

"(C) the development of comprehensive transition and postsecondary programs for students with intellectual disabilities; and

"(D) evaluation and technical assistance.

"(2) IN GENERAL.—From amounts appropriated under section 778, the Secretary shall enter into a cooperative agreement, on a competitive basis, with an eligible entity for the purpose of establishing a coordinating center for institutions of higher education that offer inclusive comprehensive transition and postsecondary programs for students with intellectual disabilities, including institutions participating in grants authorized under subpart 2, to provide—

"(A) recommendations related to the development of standards for such programs;

"(B) technical assistance for such programs; and

"(C) evaluations for such programs.

"(3) ADMINISTRATION.—The program under this subsection shall be administered by the office in the Department that administers other postsecondary education programs.

"(4) DURATION.—The Secretary shall enter into a cooperative agreement under this subsection for a period of five years.

"(5) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this subsection shall establish and maintain a coordinating center that shall—

"(A) serve as the technical assistance entity for all comprehensive transition and postsecondary programs for students with intellectual disabilities;

"(B) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

"(C) develop an evaluation protocol for such programs that includes qualitative and quantitative methodologies for measuring student outcomes and program strengths in the areas of academic enrichment, socialization, independent living, and competitive or supported employment;

"(D) assist recipients of grants under subpart 2 in efforts to award a meaningful credential to students with intellectual disabilities upon the completion of such programs, which credential shall take into consideration unique State factors;

"(E) develop recommendations for the necessary components of such programs, such as—

"(i) academic, vocational, social, and independent living skills;

"(ii) evaluation of student progress;

"(iii) program administration and evaluation;

"(iv) student eligibility; and

"(v) issues regarding the equivalency of a student's participation in such programs to semester, trimester, quarter, credit, or clock hours at an institution of higher education, as the case may be;

"(F) analyze possible funding streams for such programs and provide recommendations regarding the funding streams;

"(G) develop model memoranda of agreement for use between or among institutions of higher education and State and local agencies providing funding for such programs;

"(H) develop mechanisms for regular communication, outreach and dissemination of information about comprehensive transition and postsecondary programs for students with intellectual disabilities under subpart 2 between or among such programs and to families and prospective students;

"(I) host a meeting of all recipients of grants under subpart 2 not less often than once each year; and

"(J) convene a workgroup to develop and recommend model criteria, standards, and components of such programs as described in subparagraph (E), that are appropriate for the development of accreditation standards, which workgroup shall include—

"(i) an expert in higher education;

"(ii) an expert in special education;

"(iii) a disability organization that represents students with intellectual disabilities;

"(iv) a representative from the National Advisory Committee on Institutional Quality and Integrity; and

"(v) a representative of a regional or national accreditation agency or association.

"(6) REPORT.—Not later than five years after the date of the establishment of the coordinating center under this subsection, the coordinating center shall report to the Secretary, the authorizing committees, and the National Advisory Committee on Institutional Quality and Integrity on the recommendations of the workgroup described in paragraph (5)(J).

"SEC. 778. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 710. SUBGRANTS TO NONPROFIT ORGANIZATIONS.

Section 781 (as redesignated by section 709(1)) (20 U.S.C. 1141) is amended—

(1) in subsection (a), by striking the second sentence and inserting the following: "In addition to the amount authorized and appropriated under the preceding sentence, there are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.";

(2) in subsection (b)(1), by inserting ", subject to the availability of appropriations," after "the Secretary shall"; and

(3) in subsection (e), by inserting after "of this Act)" the following: ", or those nonprofit organizations that have agreements with the Secretary under section 435(j)".

TITLE VIII—ADDITIONAL PROGRAMS

SEC. 801. ADDITIONAL PROGRAMS.

The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is further amended by adding at the end the following new title:

"TITLE VIII—ADDITIONAL PROGRAMS

"PART A—PROJECT GRAD

"SEC. 801. PROJECT GRAD.

"(a) PURPOSES.—The purposes of this section are—

"(1) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation, postsecondary program attendance, and postsecondary completion rates for low-income students; and

"(2) to promote the establishment of new programs to implement such integrated education reform services.

"(b) DEFINITIONS.—In this section:

"(1) LOW-INCOME STUDENT.—The term 'low-income student' means a student who is determined by a local educational agency to be from a low-income family using the measures described in section 1113(a)(5) of the Elementary and Secondary Education Act of 1965.

"(2) FEEDER PATTERN.—The term 'feeder pattern' means a secondary school and the elementary schools and middle schools that channel students into that secondary school.

"(c) CONTRACT AUTHORIZED.—From the amount appropriated to carry out this section, the Secretary is authorized to award a five-year contract to Project GRAD USA (referred to in this section as the 'contractor'), a nonprofit education organization that has as its primary purpose the improvement of secondary school graduation and postsecondary attendance and completion rates for low-income students. Such contract shall be used to carry out the requirements of subsection (d) and to implement and sustain integrated education reform services through subcontractor activities described in subsection (e)(3) at existing Project GRAD program sites and to promote the expansion to new sites.

"(d) REQUIREMENTS OF CONTRACT.—The Secretary shall enter into an agreement with the contractor that requires that the contractor shall—

"(1) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of low-income students (referred to in this subsection as 'subcontractors'), under which the subcontractors agree to implement the Project GRAD programs described in subsection (e) and provide matching funds for such programs;

"(2) directly carry out—

"(A) activities to implement and sustain the literacy, mathematics, classroom management, social service, and postsecondary access programs further described in subsection (e)(3);

"(B) activities to build the organizational and management capacity of the subcontractors to effectively implement and sustain the programs;

"(C) activities for the purpose of improving and expanding the programs, including activities—

"(i) to further articulate a program for one or more grade levels and across grade levels;

"(ii) to tailor a program for a particular target audience; and

"(iii) to provide tighter integration across programs;

"(D) activities for the purpose of implementing new Project GRAD program sites;

"(E) activities for the purpose of promoting greater public awareness of integrated education reform services to improve secondary school graduation and postsecondary attendance rates for low-income students; and

"(F) other activities directly related to improving secondary school graduation and postsecondary attendance and completion rates for low-income students; and

"(3) use contract funds available under this section to pay—

"(A) the amount determined under subsection (f); and

"(B) costs associated with carrying out the activities and providing the services, as provided in paragraph (2) of this subsection.

"(e) SUPPORTED PROGRAMS.—

"(1) DESIGNATION.—The subcontractor programs referred to in this subsection shall be known as Project GRAD programs.

"(2) FEEDER PATTERNS.—Each subcontractor shall implement a Project GRAD program and shall, with the agreement of the contractor—

"(A) identify or establish not less than one feeder pattern of public schools; and

"(B) provide the integrated educational reform services described in paragraph (3) at each identified feeder pattern.

"(3) INTEGRATED EDUCATION REFORM SERVICES.—The services provided through a Project GRAD program may include—

"(A) research-based programs in reading, mathematics, and classroom management;

"(B) campus-based social services programs, including a systematic approach to increase family and community involvement in the schools served by the Project GRAD program;

"(C) a postsecondary access program that includes—

"(i) providing postsecondary scholarships for students who meet established criteria;

"(ii) proven approaches for increasing student and family postsecondary awareness; and

"(iii) assistance for students in applying for higher education financial aid; and

"(D) such other services identified by the contractor as necessary to increase secondary school graduation and postsecondary attendance and completion rates.

"(f) USE OF FUNDS.—Of the funds made available to carry out this section, not more than five percent of such funds, or $4,000,000, whichever is less, shall be used by the contractor to pay for administration of the contract.

"(g) CONTRIBUTION AND MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The contractor shall provide to each subcontractor an average of $200 for each student served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

"(A) the resources or funds available in the area where the subcontractor will implement the Project GRAD program; and

"(B) the need for the Project GRAD program in such area to improve student outcomes, including reading and mathematics achievement, secondary school graduation, and postsecondary attendance and completion rates.

"(2) MATCHING REQUIREMENT.—Each subcontractor shall provide funds for the Project GRAD program in an amount that is equal to the amount received by the subcontractor from the contractor. Such matching funds may be provided in cash or in kind, fairly evaluated.

"(3) WAIVER AUTHORITY.—The contractor may waive, in whole or in part, the requirement of paragraph (2) for a subcontractor, if the subcontractor—

"(A) demonstrates that the subcontractor would not otherwise be able to participate in the program; and

"(B) enters into an agreement with the contractor with respect to the amount to which the waiver will apply.

"(h) EVALUATION.—

"(1) EVALUATION BY THE SECRETARY.—The Secretary shall select an independent entity to evaluate, every three years, the performance of students who participate in a Project GRAD program under this section. The evaluation shall—

"(A) be conducted using a rigorous research design for determining the effectiveness of the Project GRAD programs funded under this section; and

"(B) compare reading and mathematics achievement, secondary school graduation, and postsecondary attendance and completion rates of students who participate in a Project GRAD program funded under this section with those indicators for students of similar backgrounds who do not participate in such program.

"(2) EVALUATION BY CONTRACTOR AND SUBCONTRACTORS.—The contractor shall require each subcontractor to prepare an in-depth report of the results and the use of funds of each Project GRAD program funded under this section that includes—

"(A) data on the reading and mathematics achievement of students involved in the Project GRAD program;

"(B) data on secondary school graduation and postsecondary attendance and completion rates; and

"(C) such financial reporting as required by the Secretary to review the effectiveness and efficiency of the program.

"(3) AVAILABILITY OF EVALUATIONS.—Copies of any evaluation or report prepared under this subsection shall be made available to—

"(A) the Secretary; and

"(B) the authorizing committees.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART B—MATHEMATICS AND SCIENCE SCHOLARS PROGRAM

"SEC. 802. MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.

"(a) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (f), the Secretary is authorized to award grants to States, on a competitive basis, to enable the States to encourage students to pursue a rigorous course of study, beginning in secondary school and continuing through the students' postsecondary education, in science, technology, engineering, mathematics, or a health-related field.

"(b) APPLICATIONS.—

"(1) IN GENERAL.—A State that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. A State may submit an application to receive a grant under subsection (c) or (d), or both.

"(2) CONTENTS OF APPLICATION.—Each application shall include a description of—

"(A) the program or programs for which the State is applying;

"(B) if applicable, the priority set by the Governor pursuant to subsection (c)(4) or (d)(3); and

"(C) how the State will meet the requirements of subsection (e).

"(c) MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.—

"(1) GRANT FOR SCHOLARSHIPS.—The Secretary shall award grants under this subsection to provide scholarship support to eligible students.

"(2) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this subsection if the student—

"(A) meets the requirements of section 484(a);

"(B) is a full-time student in the student's first year of undergraduate study; and

"(C) has completed a rigorous secondary school curriculum in mathematics and science.

"(3) RIGOROUS CURRICULUM.—Each participating State shall determine the requirements for a rigorous secondary school curriculum in mathematics and science described in paragraph (2)(C).

"(4) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this subsection for particular eligible students, such as students attending schools in high-need local educational agencies (as defined in section 200), students who are from groups underrepresented in the fields of mathematics, science, and engineering, students served by local educational agencies that do not meet or exceed State standards in mathematics and science, or other high-need students.

"(5) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this subsection to provide scholarships—

"(A) in an amount that does not exceed $5,000 per student; and

"(B) for not more than one year of undergraduate study.

"(d) STEM OR HEALTH-RELATED SCHOLARS PROGRAM.—

"(1) GRANT FOR SCHOLARSHIPS.—The Secretary shall award grants under this subsection to provide scholarship support to eligible students.

"(2) ELIGIBLE STUDENTS.—A student is eligible for scholarship under this subsection if the student—

"(A) meets the requirements of section 484(a);

"(B) is a full-time student who has completed at least the first year of undergraduate study;

"(C) is enrolled in a program of undergraduate instruction leading to a bachelor's degree with a major in science, technology, engineering, mathematics, or a health-related field; and

"(D) has obtained a cumulative grade point average of at least a 3.0 (or the equivalent as determined under regulation prescribed by the Secretary) at the end of the most recently completed term.

"(3) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this subsection for students agreeing to work in areas of science, technology, engineering, mathematics, or health-related fields.

"(4) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this subsection to provide scholarships—

"(A) in an amount that does not exceed $5,000 per student for an academic year; and

"(B) in an aggregate amount that does not exceed $20,000 per student.

"(e) MATCHING REQUIREMENT.—In order to receive a grant under this section, a State shall provide matching funds for the scholarships awarded under this section in an amount equal to 50 percent of the Federal funds received.

"(f) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"(g) DEFINITION.—The term 'Governor' means the chief executive officer of a State.

"PART C—BUSINESS WORKFORCE PARTNERSHIPS FOR JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES

"SEC. 803. BUSINESS WORKFORCE PARTNERSHIPS FOR JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES.

"(a) PURPOSE.—The purpose of this section is to provide grants to institutions of higher education partnering with employers to—

"(1) provide relevant job skill training in high-growth and high-wage industries or occupations to nontraditional students; and

"(2) strengthen ties between degree credit offerings at institutions of higher education and business and industry workforce needs.

"(b) AUTHORIZATION.—

"(1) IN GENERAL.—From the amounts appropriated under subsection (k), the Secretary shall award grants, on a competitive basis, to eligible partnerships for the purpose provided in subsection (a).

"(2) DURATION.—The Secretary shall award grants under this section for a period of not less than 36 months and not more than 60 months.

"(3) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds available to the eligible partnership for carrying out the activities described in subsection (c).

"(c) USE OF FUNDS.—In consultation with all of the members of an eligible partnership, grant funds provided under this section may be used to—

"(1) expand or create for-credit academic programs or programs of training that provide relevant job skill training for high-growth and high-wage occupations or industries, including offerings connected to registered apprenticeship programs and entrepreneurial training opportunities;

"(2) in consultation with faculty in the appropriate departments of an institution of higher education, adapt college offerings to the schedules and needs of working students, such as the creation of evening, weekend, modular, compressed, or distance learning formats;

"(3) purchase equipment that will facilitate the development of academic programs or programs of training that provide training for high-growth and high-wage occupations or industries;

"(4) strengthen outreach efforts that enable students, including students with limited English proficiency, to attend institutions of higher education with academic programs or programs of training focused on high-growth and high-wage occupations or industries;

"(5) expand worksite learning and training opportunities, including registered apprenticeships as appropriate; and

"(6) support other activities the Secretary determines to be consistent with the purpose of this section.

"(d) APPLICATION.—

"(1) IN GENERAL.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require.

"(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of—

"(A) how the eligible partnership, through the institution of higher education, will provide relevant job skill training for students to enter high-growth and high-wage occupations or industries; and

"(B) how the eligible partnership has consulted with employers and, where applicable, labor organizations to identify local high-growth and high-wage occupations or industries.

"(e) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

"(1) give priority to applications focused on serving non-traditional students;

"(2) ensure an equitable distribution of grant funds under this section among urban and rural areas of the United States; and

"(3) take into consideration the capability of an institution of higher education that is participating in an eligible partnership to—

"(A) offer one- or two-year high-quality programs of instruction and job skill training for students entering a high-growth and high-wage occupation or industry;

"(B) involve the local business community, and to place graduates in employment in high-growth and high-wage occupations or industries in the community; and

"(C) serve adult workers or displaced workers.

"(f) ADMINISTRATIVE COSTS.—A grantee under this section may use not more than five percent of the grant amount to pay administrative costs associated with activities funded by the grant.

"(g) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to grantees under this section throughout the grant period.

"(h) EVALUATION.—The Secretary shall conduct an evaluation of the effectiveness of the program under this section based on performance standards developed in consultation with the Department of Labor, and shall disseminate to the public the findings of such evaluation and information related to promising practices developed under this section.

"(i) REPORT TO CONGRESS.—Not later than 36 months after the first grant is awarded under this section, the Comptroller General shall report to the authorizing committees recommendations—

"(1) for changes to this Act and related Acts, such as the Carl D. Perkins Career and Technical Education Act of 2006 and the Workforce Investment Act of 1998 (including titles I and II), to help create and sustain business and industry workforce partnerships at institutions of higher education; and

"(2) for other changes to this Act and related Acts to otherwise strengthen the links between business and industry workforce needs, workforce development programs, and other degree credit offerings at institutions of higher education.

"(j) DEFINITIONS.—In this section:

"(1) ELIGIBLE PARTNERSHIP.—

"(A) IN GENERAL.—The term 'eligible partnership' means a partnership that includes—

"(i) one or more institutions of higher education, one of which serves as the fiscal agent and grant recipient for the eligible partnership;

"(ii) except as provided in subparagraph (B), an employer, group of employers, local board (as such term is defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)), or workforce intermediary, or any combination thereof; and

"(iii) where applicable, one or more labor organizations that represent workers locally in the businesses or industries that are the focus of the partnership,

including as a result of such an organization's representation of employees at a worksite at which the partnership proposes to conduct activities under this section.

"(B) STATE AND LOCAL BOARDS.—Notwithstanding subparagraph (A), if an institution of higher education that is participating in an eligible partnership under this section is located in a State that does not operate local boards, an eligible partnership may include a State board (as such term is defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)).

"(C) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an eligible partnership that is in existence on the date of enactment of the Higher Education Opportunity Act from applying for a grant under this section.

"(2) NONTRADITIONAL STUDENT.—The term 'nontraditional student' means a student—

"(A) who is an independent student, as defined in section 480(d);

"(B) who attends an institution of higher education—

"(i) on less than a full-time basis;

"(ii) via evening, weekend, modular, or compressed courses; or

"(iii) via distance education methods; and

"(C) who—

"(i) enrolled for the first time in an institution of higher education three or more years after completing high school; or

"(ii) works full-time.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART D—CAPACITY FOR NURSING STUDENTS AND FACULTY

"SEC. 804. CAPACITY FOR NURSING STUDENTS AND FACULTY.

"(a) AUTHORIZATION.—From the amounts appropriated under subsection (f), the Secretary shall award grants to institutions of higher education that offer—

"(1) an accredited registered nursing program at the baccalaureate or associate degree level to enable such program to expand the faculty and facilities of such program to accommodate additional students in such program; or

"(2) an accredited graduate-level nursing program to accommodate advanced practice degrees for registered nurses or to accommodate students enrolled in such program to become teachers of nursing students.

"(b) DETERMINATION OF NUMBER OF STUDENTS AND APPLICATION.—Each institution of higher education that offers a program described in subsection (a) that desires to receive a grant under this section shall—

"(1) determine, for the four academic years preceding the academic year for which the determination is made, the average number of matriculated nursing program students, in each of the institution's accredited associate, baccalaureate, or

advanced nursing degree programs at such institution for such academic years;

"(2) submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, including the average number in each of the institution's accredited nursing programs determined under paragraph (1); and

"(3) with respect to the partnerships described in subsection (c)(2)(B), provide assurances that—

"(A) the individuals enrolled in the program will—

"(i) be registered nurses in pursuit of a master's or doctoral degree in nursing; and

"(ii) have a contractual obligation with the hospital or health facility that is in partnership with the institution of higher education;

"(B) the hospital or health facility of employment will be the clinical site for the accredited school of nursing program, if the program requires a clinical site;

"(C) individuals enrolled in the program will—

"(i) maintain their employment on at least a part-time basis with the hospital or health facility that allowed them to participate in the program; and

"(ii) receive an income from the hospital or health facility, as at least a part-time employee, and release times or flexible schedules, to accommodate their program requirements, as necessary; and

"(D) upon completion of the program, recipients of scholarships described in subsection (c)(2)(B)(ii)(III) will be required to teach for two years in an accredited school of nursing for each year of support the individual received under this section.

"(c) GRANT AMOUNT; AWARD BASIS.—

"(1) GRANT AMOUNT.—For each academic year after academic year 2009–2010, the Secretary is authorized to provide to each institution of higher education awarded a grant under this section an amount that is equal to $3,000 multiplied by the number by which—

"(A) the number of matriculated nursing program students at such institution for such academic year, exceeds

"(B) the average number determined with respect to such institution under subsection (b)(1).

"(2) DISTRIBUTION OF GRANTS AMONG DIFFERENT DEGREE PROGRAMS.—

"(A) IN GENERAL.—Subject to subparagraph (D), from the funds available to award grants under this section for each fiscal year, the Secretary shall—

"(i) use 20 percent of such funds to award grants under this section to institutions of higher education for the purpose of accommodating advanced practice degrees or students in accredited graduate-level nursing programs;

"(ii) use 40 percent of such funds to award grants under this section to institutions of higher education for the purpose of expanding accredited registered nurse programs at the baccalaureate degree level; and

"(iii) use 40 percent of such funds to award grants under this section to institutions of higher education

for the purpose of expanding accredited registered nurse programs at the associate degree level.

"(B) OPTIONAL USES OF FUNDS.—Grants awarded under this section may be used to support partnerships with hospitals or health facilities to—

"(i) improve the alignment between nursing education and the emerging challenges of health care delivery by—

"(I) the purchase of distance learning technologies and expanding methods of delivery of instruction to include alternatives to onsite learning; and

"(II) the collection, analysis, and dissemination of data on educational outcomes and best practices identified through the activities described in this section; and

"(ii) ensure that students can earn a salary while obtaining an advanced degree in nursing with the goal of becoming nurse faculty by—

"(I) funding release time for qualified nurses enrolled in the graduate nursing program;

"(II) providing for faculty salaries; or

"(III) providing scholarships to qualified nurses in pursuit of an advanced degree with the goal of becoming faculty members in an accredited nursing program.

"(C) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants under this section, the Secretary shall consider the following:

"(i) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such grants.

"(ii) URBAN AND RURAL AREAS.—Distributing such grants to urban and rural areas.

"(iii) RANGE AND TYPE OF INSTITUTION.—Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education, including institutions providing alternative methods of delivery of instruction in addition to on-site learning.

"(D) DISTRIBUTION OF EXCESS FUNDS.—If, for a fiscal year, funds described in clause (i), (ii), or (iii) of subparagraph (A) remain available after the Secretary awards grants under this section to all applicants for the particular category of accredited nursing programs described in such clause, the Secretary shall use equal amounts of the remaining funds to award grants under this section to applicants that applied under the other categories of nursing programs.

"(E) LIMITATION.—Of the amount appropriated to carry out this section, the Secretary may award not more than ten percent of such amount for the optional purposes under subparagraph (B).

"(d) DEFINITION.—For purposes of this section:

"(1) HEALTH FACILITY.—The term 'health facility' means an Indian health service center, a Native Hawaiian health center, a hospital, a federally qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice

program, a public health clinic, a State or local department of public health, a skilled nursing facility, or an ambulatory surgical center.

"(2) ACCREDITED.—The terms 'accredited school of nursing' and 'accredited nursing program' have the meaning given those terms in section 801 of the Public Health Service Act (42 U.S.C. 296).

"(e) PROHIBITION.—

"(1) IN GENERAL.—Funds provided under this section may not be used for the construction of new facilities.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit funds provided under this section from being used for the repair or renovation of facilities.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART E—AMERICAN HISTORY FOR FREEDOM

"SEC. 805. AMERICAN HISTORY FOR FREEDOM.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated under subsection (f), the Secretary is authorized to award three-year grants, on a competitive basis, to eligible institutions to establish or strengthen postsecondary academic programs or centers that promote and impart knowledge of—

"(1) traditional American history;

"(2) the history and nature of, and threats to, free institutions; or

"(3) the history and achievements of Western civilization.

"(b) DEFINITIONS.—In this section:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education as defined in section 101.

"(2) FREE INSTITUTION.—The term 'free institution' means an institution that emerged out of Western civilization, such as democracy, constitutional government, individual rights, market economics, religious freedom and religious tolerance, and freedom of thought and inquiry.

"(3) TRADITIONAL AMERICAN HISTORY.—The term 'traditional American history' means—

"(A) the significant constitutional, political, intellectual, economic, and foreign policy trends and issues that have shaped the course of American history; and

"(B) the key episodes, turning points, and leading figures involved in the constitutional, political, intellectual, diplomatic, and economic history of the United States.

"(c) APPLICATION.—

"(1) IN GENERAL.—Each eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each application submitted under paragraph (1) shall include a description of—

"(A) how funds made available under this section will be used for the activities set forth under subsection (e), including how such activities will increase knowledge with

respect to traditional American history, free institutions, or Western civilization;

"(B) how the eligible institution will ensure that information about the activities funded under this section is widely disseminated pursuant to subsection (e)(1)(B);

"(C) any activities to be undertaken pursuant to subsection (e)(2)(A), including identification of entities intended to participate;

"(D) how funds made available under this section shall be used to supplement and not supplant non-Federal funds available for the activities described in subsection (e); and

"(E) such fiscal controls and accounting procedures as may be necessary to ensure proper disbursement of and accounting for funding made available to the eligible institution under this section.

"(d) AWARD BASIS.—In awarding grants under this section, the Secretary shall take into consideration the capability of the eligible institution to—

"(1) increase access to quality programming that expands knowledge of traditional American history, free institutions, or Western civilization;

"(2) involve personnel with strong expertise in traditional American history, free institutions, or Western civilization; and

"(3) sustain the activities funded under this section after the grant has expired.

"(e) USE OF FUNDS.—

"(1) REQUIRED USE OF FUNDS.—Funds provided under this section shall be used to—

"(A) establish or strengthen academic programs or centers focused on traditional American history, free institutions, or Western civilization, which may include—

"(i) design and implementation of programs of study, courses, lecture series, seminars, and symposia;

"(ii) development, publication, and dissemination of instructional materials;

"(iii) research;

"(iv) support for faculty teaching in undergraduate and, if applicable, graduate programs;

"(v) support for graduate and postgraduate fellowships, if applicable; or

"(vi) teacher preparation initiatives that stress content mastery regarding traditional American history, free institutions, or Western civilization; and

"(B) conduct outreach activities to ensure that information about the activities funded under this section is widely disseminated—

"(i) to undergraduate students (including students enrolled in teacher education programs, if applicable);

"(ii) to graduate students (including students enrolled in teacher education programs, if applicable);

"(iii) to faculty;

"(iv) to local educational agencies; and

"(v) within the local community.

"(2) ALLOWABLE USES OF FUNDS.—Funds provided under this section may be used to support—

"(A) collaboration with entities such as—

"(i) local educational agencies, for the purpose of providing elementary and secondary school teachers an opportunity to enhance their knowledge of traditional American history, free institutions, or Western civilization; and

"(ii) nonprofit organizations whose mission is consistent with the purpose of this section, such as academic organizations, museums, and libraries, for assistance in carrying out activities described under subsection (a); and

"(B) other activities that meet the purposes of this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART F—TEACH FOR AMERICA

"SEC. 806. TEACH FOR AMERICA.

"(a) DEFINITIONS.—For purposes of this section:

"(1) GRANTEE.—The term 'grantee' means Teach For America, Inc.

"(2) HIGHLY QUALIFIED.—The term 'highly qualified' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 or section 602 of the Individuals with Disabilities Education Act.

"(3) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' has the meaning given such term in section 200.

"(b) GRANTS AUTHORIZED.—From the amounts appropriated under subsection (f), the Secretary is authorized to award a five-year grant to Teach For America, Inc., the national teacher corps of outstanding recent college graduates who commit to teach for two years in underserved communities in the United States, to implement and expand its program of recruiting, selecting, training, and supporting new teachers.

"(c) REQUIREMENTS.—In carrying out the grant program under subsection (b), the Secretary shall enter into an agreement with the grantee under which the grantee agrees to use the grant funds provided under this section to—

"(1) provide highly qualified teachers to high-need local educational agencies in urban and rural communities;

"(2) pay the costs of recruiting, selecting, training, and supporting new teachers; and

"(3) serve a substantial number and percentage of underserved students.

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Grant funds provided under this section shall be used by the grantee to carry out each of the following activities:

"(A) Recruiting and selecting teachers through a highly selective national process.

"(B) Providing preservice training to such teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education coursework and theory.

"(C) Placing such teachers in schools and positions designated by high-need local educational agencies as high-need placements serving underserved students.

"(D) Providing ongoing professional development activities for such teachers' first two years in the classroom, including regular classroom observations and feedback, and ongoing training and support.

"(2) LIMITATION.—The grantee shall use all grant funds received under this section to support activities related directly to the recruitment, selection, training, and support of teachers as described in subsection (b), except that funds may be used for non-programmatic costs in accordance with subsection (f)(2).

"(e) REPORTS AND EVALUATIONS.—

"(1) ANNUAL REPORT.—The grantee shall provide to the Secretary an annual report that includes—

"(A) data on the number and quality of the teachers provided to local educational agencies through a grant under this section;

"(B) an externally conducted analysis of the satisfaction of local educational agencies and principals with the teachers so provided; and

"(C) comprehensive data on the background of the teachers chosen, the training such teachers received, the placement sites of such teachers, the professional development of such teachers, and the retention of such teachers.

"(2) STUDY.—

"(A) IN GENERAL.—From funds appropriated under subsection (f), the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this section.

"(B) STUDENT ACHIEVEMENT GAINS COMPARED.—The study shall compare, within the same schools, the achievement gains made by students taught by teachers who are assisted under this section with the achievement gains made by students taught by teachers who are not assisted under this section.

"(C) REQUIREMENTS.—The Secretary shall provide for such a study not less than once every three years, and each such study shall include multiple placement sites and multiple schools within placement sites.

"(D) PEER REVIEW STANDARDS.—Each such study shall meet the peer review standards of the education research community. Further, the peer review standards shall ensure that reviewers are practicing researchers and have expertise in assessment systems, accountability, psychometric measurement and statistics, and instruction.

"(3) ACCOUNTING, FINANCIAL REPORTING, AND INTERNAL CONTROL SYSTEMS.—

"(A) IN GENERAL.—The grantee shall contract with an independent auditor to conduct a comprehensive review of the grantee's accounting, financial reporting, and internal control systems. Such review shall assess whether that grantee's accounting, financial reporting, and internal control systems are designed to—

"(i) provide information that is complete, accurate, and reliable;

"(ii) reasonably detect and prevent material misstatements, as well as fraud, waste, and abuse; and

"(iii) provide information to demonstrate the grantee's compliance with related Federal programs, as applicable.

"(B) REVIEW REQUIREMENTS.—Not later than 90 days after the grantee receives funds to carry out this section for the first fiscal year in which funds become available to carry out this section after the date of enactment of the Higher Education Opportunity Act, the independent auditor shall complete the review required by this paragraph.

"(C) REPORT.—Not later than 120 days after the grantee receives funds to carry out this section for the first fiscal year in which funds become available to carry out this section after the date of enactment of the Higher Education Opportunity Act, the independent auditor shall submit a report to the authorizing committees and the Secretary of the findings of the review required under this paragraph, including any recommendations of the independent auditor, as appropriate, with respect to the grantee's accounting, financial reporting, and internal control systems.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—The amount authorized to be appropriated to carry out this section shall not exceed—

"(A) $20,000,000 for fiscal year 2009;

"(B) $25,000,000 for fiscal year 2010; and

"(C) such sums as may be necessary for each of the four succeeding fiscal years.

"(2) LIMITATION.—The grantee shall not use more than 5 percent of Federal funds made available under this section for non-programmatic costs to carry out this section.

"PART G—PATSY T. MINK FELLOWSHIP PROGRAM

"SEC. 807. PATSY T. MINK FELLOWSHIP PROGRAM.

"(a) PURPOSE; DESIGNATION.—

"(1) IN GENERAL.—It is the purpose of this section to provide, through eligible institutions, a program of fellowship awards to assist highly qualified minorities and women to acquire the doctoral degree, or highest possible degree available, in academic areas in which such individuals are underrepresented for the purpose of enabling such individuals to enter the higher education professoriate.

"(2) DESIGNATION.—Each recipient of a fellowship award from an eligible institution receiving a grant under this section shall be known as a 'Patsy T. Mink Graduate Fellow'.

"(b) ELIGIBLE INSTITUTION.—In this section, the term 'eligible institution' means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a graduate degree.

"(c) PROGRAM AUTHORIZED.—

"(1) GRANTS BY SECRETARY.—

"(A) IN GENERAL.—From the amounts appropriated under subsection (f), the Secretary shall award grants to eligible institutions to enable such institutions to make fellowship awards to individuals in accordance with the provisions of this section.

"(B) PRIORITY CONSIDERATION.—In awarding grants under this section, the Secretary shall consider the eligible institution's prior experience in producing doctoral degree, or highest possible degree available, holders who are minorities and women, and shall give priority consideration in making grants under this section to those eligible institutions with a demonstrated record of producing minorities and women who have earned such degrees.

"(2) APPLICATIONS.—

"(A) IN GENERAL.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(B) APPLICATIONS MADE ON BEHALF.—The following entities may submit an application on behalf of an eligible institution:

"(i) A graduate school or department of such institution.

"(ii) A graduate school or department of such institution in collaboration with an undergraduate college or school of such institution.

"(iii) An organizational unit within such institution that offers a program of postbaccalaureate study leading to a graduate degree, including an interdisciplinary or an interdepartmental program.

"(C) PARTNERSHIP.—In developing a grant application and carrying out the grant activities authorized under this section, an eligible institution may partner with a nonprofit organization with a demonstrated record of helping minorities and women earn postbaccalaureate degrees.

"(3) SELECTION OF APPLICATIONS.—In awarding grants under paragraph (1), the Secretary shall—

"(A) take into account—

"(i) the number and distribution of minority and female faculty nationally;

"(ii) the current and projected need for highly trained individuals in all areas of the higher education professoriate; and

"(iii) the present and projected need for highly trained individuals in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

"(B) consider the need to prepare a large number of minorities and women generally in academic career fields of high national priority, especially in areas in which such individuals are traditionally underrepresented in college and university faculty.

"(4) DISTRIBUTION AND AMOUNTS OF GRANTS.—

"(A) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among public and

private eligible institutions that apply for grants under this section and that demonstrate an ability to achieve the purpose of this section.

"(B) SPECIAL RULE.—To the maximum extent practicable, the Secretary shall use not less than 30 percent of the amount appropriated pursuant to subsection (f) to award grants to eligible institutions that are eligible for assistance under title III or title V, or to consortia of eligible institutions that include at least one eligible institution that is eligible for assistance under title III or title V.

"(C) ALLOCATION.—In awarding grants under this section, the Secretary shall allocate appropriate funds to those eligible institutions whose applications indicate an ability to significantly increase the numbers of minorities and women entering the higher education professoriate and that commit institutional resources to the attainment of the purpose of this section.

"(D) NUMBER OF FELLOWSHIP AWARDS.—An eligible institution that receives a grant under this section shall make not less than ten fellowship awards.

"(E) INSUFFICIENT FUNDS.—If the amount appropriated is not sufficient to permit all grantees under this section to provide the minimum number of fellowships required by subparagraph (D), the Secretary may, after awarding as many grants to support the minimum number of fellowships as such amount appropriated permits, award grants that do not require the grantee to award the minimum number of fellowships required by such subparagraph.

"(5) INSTITUTIONAL ALLOWANCE.—

"(A) IN GENERAL.—

"(i) NUMBER OF ALLOWANCES.—In awarding grants under this section, the Secretary shall pay to each eligible institution awarded a grant, for each individual awarded a fellowship by such institution under this section, an institutional allowance.

"(ii) AMOUNT.—Except as provided in subparagraph (C), for academic year 2009–2010 and succeeding academic years, an institutional allowance under this paragraph shall be in an amount equal to the amount of institutional allowance made to an institution of higher education under section 715 for such academic year.

"(B) USE OF FUNDS.—Institutional allowances may be expended at the discretion of the eligible institution and may be used to provide, except as prohibited under subparagraph (D), academic support and career transition services for individuals awarded fellowships by such institution.

"(C) REDUCTION.—The institutional allowance paid under subparagraph (A) shall be reduced by the amount the eligible institution charges and collects from a fellowship recipient for tuition and other expenses as part of the recipient's instructional program.

"(D) USE FOR OVERHEAD PROHIBITED.—Funds made available under this section may not be used for general

operational overhead of the academic department or institution receiving funds under this section.

"(d) FELLOWSHIP RECIPIENTS.—

"(1) AUTHORIZATION.—An eligible institution that receives a grant under this section shall use the grant funds to make fellowship awards to minorities and women who are enrolled at such institution in a doctoral degree program, or program for the highest possible degree available, and—

"(A) intend to pursue a career in instruction at—

"(i) an institution of higher education (as the term is defined in section 101);

"(ii) an institution of higher education (as the term is defined in section 102(a)(1)); and

"(iii) a proprietary institution of higher education (as the term is defined in section 102(b)); and

"(B) sign an agreement with the Secretary agreeing—

"(i) to begin employment at an institution described in subparagraph (A) not later than three years after receiving the doctoral degree or highest possible degree available, which three-year period may be extended by the Secretary for extraordinary circumstances; and

"(ii) to be employed by such institution for one year for each year of fellowship assistance received under this section.

"(2) REPAYMENT FOR FAILURE TO COMPLY.—In the event that any recipient of a fellowship under this section fails or refuses to comply with the agreement signed pursuant to paragraph (1)(B), the sum of the amounts of any fellowship received by such recipient shall, upon a determination of such a failure or refusal to comply, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the grant award, in accordance with terms and conditions specified by the Secretary in regulations under this section.

"(3) WAIVER AND MODIFICATION.—

"(A) REGULATIONS.—The Secretary shall promulgate regulations setting forth criteria to be considered in granting a waiver for the service requirement under paragraph (1)(B).

"(B) CONTENT.—The criteria under subparagraph (A) shall include whether compliance with the service requirement by the fellowship recipient would be—

"(i) inequitable and represent an extraordinary hardship; or

"(ii) deemed impossible because the individual is permanently and totally disabled at the time of the waiver request.

"(4) AMOUNT OF FELLOWSHIP AWARDS.—Fellowship awards under this section shall consist of a stipend in an amount equal to the level of support provided to fellows under the National Science Foundation Graduate Research Fellowship Program, except that such stipend shall be adjusted as necessary so as not to exceed the fellow's tuition and fees or demonstrated need (as determined by the institution of higher

education where the graduate student is enrolled), whichever is greater.

"(5) ACADEMIC PROGRESS REQUIRED.—An individual student shall not be eligible to receive a fellowship award—

"(A) except during periods in which such student is enrolled, and such student is maintaining satisfactory academic progress in, and devoting essentially full time to, study or research in the pursuit of the degree for which the fellowship support was awarded; and

"(B) if the student is engaged in gainful employment, other than part-time employment in teaching, research, or similar activity determined by the eligible institution to be consistent with and supportive of the student's progress toward the appropriate degree.

"(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an eligible institution that receives a grant under this section—

"(1) to grant a preference to or to differentially treat any applicant for a faculty position as a result of the institution's participation in the program under this section; or

"(2) to hire a Patsy T. Mink Fellow who completes this program and seeks employment at such institution.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART H—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS

"SEC. 808. IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS.

"(a) IN GENERAL.—From the amounts appropriated under subsection (c), the Secretary shall award a grant to one nonprofit organization described in subsection (b) to enable the nonprofit organization—

"(1) to make publicly available the year-to-year postsecondary education enrollment rate trends of secondary school students, disaggregated by secondary school, in compliance with the Family Education Rights and Privacy Act of 1974;

"(2) to identify not less than 50 urban local educational agencies and five States with significant rural populations, each serving a significant population of low-income students, and to carry out a comprehensive assessment in the agencies and States of the factors known to contribute to improved postsecondary education enrollment rates, which factors shall include—

"(A) the local educational agency's and State's leadership strategies and capacities;

"(B) the secondary school curriculum and class offerings of the local educational agency and State;

"(C) the professional development used by the local educational agency and the State to assist teachers, guidance counselors, and administrators in supporting the transition of secondary students to postsecondary education;

"(D) secondary school student attendance and other factors demonstrated to be associated with enrollment into postsecondary education;

"(E) the use of data systems by the local educational agency and the State to measure postsecondary education enrollment rates and the incentives in place to motivate the efforts of faculty and students to improve student and schoolwide outcomes; and

"(F) strategies to mobilize student leaders to build a college-bound culture; and

"(3) to provide comprehensive services to improve the schoolwide postsecondary education enrollment rates of each of not less than ten local educational agencies and States, with the federally funded portion of each project declining by not less than 20 percent each year beginning in the second year of the comprehensive services, that—

"(A) participated in the needs assessment described in paragraph (2); and

"(B) demonstrated a willingness and commitment to improving the postsecondary education enrollment rates of the local educational agency or State, respectively.

"(b) GRANT RECIPIENT CRITERIA.—The recipient of the grant awarded under subsection (a) shall be a nonprofit organization with demonstrated expertise—

"(1) in increasing schoolwide postsecondary enrollment rates in low-income communities nationwide by providing curriculum, training, and technical assistance to secondary school staff and student peer influencers; and

"(2) in a postsecondary education transition data management system.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART I—EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE

"SEC. 811. PURPOSE.

"The purposes of this part are—

"(1) to improve the quality of the early childhood education workforce by creating a statewide early childhood education professional development and career task force for early childhood education program staff, directors, administrators, and faculty; and

"(2) to create—

"(A) a coherent system of core competencies, pathways to qualifications, credentials, degrees, quality assurances, access, and outreach, for early childhood education program staff, directors, administrators, and faculty that is linked to compensation commensurate with experience and qualifications;

"(B) articulation agreements that enable early childhood education professionals to transition easily among degrees; and

"(C) compensation initiatives for individuals working in an early childhood education program that reflect the individuals' credentials, degrees, and experience.

"SEC. 812. DEFINITION OF EARLY CHILDHOOD EDUCATION PROGRAM.

"In this part, the term 'early childhood education program' means—

"(1) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), including a migrant or seasonal Head Start program or an Indian Head Start program;

"(2) a State licensed or regulated child care program; or

"(3) a State prekindergarten program or a program authorized under section 619 or part C of the Individuals with Disabilities Education Act, that serves children from birth through age six and that addresses the children's cognitive (including language, early literacy, and pre-numeracy), social, emotional, and physical development.

"SEC. 813. GRANTS AUTHORIZED.

"(a) IN GENERAL.—From the amounts appropriated under section 818, the Secretary is authorized to award grants to States in accordance with the provisions of this part to enable such States—

"(1) to establish a State Task Force described in section 814; and

"(2) to support activities of the State Task Force described in section 815.

"(b) COMPETITIVE BASIS.—Grants under this part shall be awarded on a competitive basis.

"(c) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this part, the Secretary shall take into consideration providing an equitable geographic distribution of such grants.

"(d) DURATION.—Grants under this part shall be awarded for a period of five years.

"SEC. 814. STATE TASK FORCE ESTABLISHMENT.

"(a) STATE TASK FORCE ESTABLISHED.—The Governor of a State receiving a grant under this part shall establish, or designate an existing entity to serve as, the State Early Childhood Education Professional Development and Career Task Force (hereafter in this part referred to as the 'State Task Force').

"(b) MEMBERSHIP.—The State Task Force shall include a representative of a State agency, an institution of higher education (including an associate or a baccalaureate degree granting institution of higher education), an early childhood education program, a nonprofit early childhood organization, a statewide early childhood workforce scholarship or supplemental initiative, the State Head Start collaboration director, and any other entity or individual the Governor determines appropriate.

"SEC. 815. STATE TASK FORCE ACTIVITIES.

"(a) ACTIVITIES.—The State Task Force shall—

"(1) coordinate and communicate regularly with the State Advisory Council on Early Care and Education (hereafter in this part referred to as 'State Advisory Council') or a similar State entity charged with creating a comprehensive system

of early care and education in the State, for the purposes of—

"(A) integrating recommendations for early childhood professional development and career activities into the plans of the State Advisory Council; and

"(B) assisting in the implementation of professional development and career activities that are consistent with the plans described in subparagraph (A);

"(2) conduct a review of opportunities for and barriers to high-quality professional development, training, and higher education degree programs, in early childhood development and learning, including a periodic statewide survey concerning the demographics of individuals working in early childhood education programs in the State, which survey shall include information disaggregated by—

"(A) race, gender, and ethnicity;

"(B) compensation levels;

"(C) type of early childhood education program setting;

"(D) specialized knowledge of child development;

"(E) years of experience in an early childhood education program;

"(F) attainment of—

"(i) academic credit for coursework;

"(ii) an academic degree;

"(iii) a credential;

"(iv) licensure; or

"(v) certification in early childhood education; and

"(G) specialized knowledge in the education of children with limited English proficiency and students with disabilities; and

"(3) develop a plan for a comprehensive statewide professional development and career system for individuals working in early childhood education programs or for early childhood education providers, which plan may include—

"(A) methods of providing outreach to early childhood education program staff, directors, and administrators, including methods for how outreach is provided to non-English speaking providers, in order to enable the providers to be aware of opportunities and resources under the statewide plan;

"(B) developing a unified data collection and dissemination system for early childhood education training, professional development, and higher education programs;

"(C) increasing the participation of early childhood educators in high-quality training and professional development by assisting in paying the costs of enrollment in and completion of such training and professional development courses;

"(D) increasing the participation of early childhood educators in undergraduate and graduate education programs leading to degrees in early childhood education by providing assistance to pay the costs of enrollment in and completion of such programs, which assistance—

"(i) shall only be provided to an individual who—

"(I) in the case of an individual pursuing an undergraduate or graduate degree, enters into an agreement under which the individual agrees to

work, for a reasonable number of years after receiving such a degree, in an early childhood education program that is located in a low-income area; and

"(II) has a family income equal to or less than the annually adjusted national median family income as determined by the Bureau of the Census; and

"(ii) shall be provided in an amount that does not exceed $17,500;

"(E) supporting professional development activities and a career lattice for a variety of early childhood professional roles with varying professional qualifications and responsibilities for early childhood education personnel, including strategies to enhance the compensation of such personnel;

"(F) supporting articulation agreements between two- and four-year public and private institutions of higher education and mechanisms to transform other training, professional development, and experience into academic credit;

"(G) developing mentoring and coaching programs to support new educators in and directors of early childhood education programs;

"(H) providing career development advising with respect to the field of early childhood education, including informing an individual regarding—

"(i) entry into and continuing education requirements for professional roles in the field;

"(ii) available financial assistance for postsecondary education; and

"(iii) professional development and career advancement in the field;

"(I) enhancing the capacity and quality of faculty and coursework in postsecondary programs that lead to an associate, baccalaureate, or graduate degree in early childhood education;

"(J) consideration of the availability of on-line graduate level professional development offered by institutions of higher education with experience and demonstrated expertise in establishing programs in child development, in order to improve the skills and expertise of individuals working in early childhood education programs; and

"(K) developing or enhancing a system of quality assurance with respect to the early childhood education professional development and career system, including standards or qualifications for individuals and entities who offer training and professional development in early childhood education.

"(b) PUBLIC HEARINGS.—The State Task Force shall hold public hearings and provide an opportunity for public comment on the activities described in the statewide plan described in subsection (a)(3).

"(c) PERIODIC REVIEW.—The State Task Force shall meet periodically to review implementation of the statewide plan and to recommend any changes to the statewide plan the State Task Force determines necessary.

"SEC. 816. STATE APPLICATION AND REPORT.

"(a) IN GENERAL.—Each State desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall include a description of—

"(1) the membership of the State Task Force;

"(2) the activities for which the grant assistance will be used;

"(3) other Federal, State, local, and private resources that will be available to support the activities of the State Task Force described in section 815;

"(4) the availability within the State of training, early childhood educator preparation, professional development, compensation initiatives, and career systems, related to early childhood education; and

"(5) the resources available within the State for such training, educator preparation, professional development, compensation initiatives, and career systems.

"(b) REPORT TO THE SECRETARY.—Not later than two years after receiving a grant under this part, a State shall submit a report to the Secretary that shall describe—

"(1) other Federal, State, local, and private resources that will be used in combination with a grant under this section to develop or expand the State's early childhood education professional development and career activities;

"(2) the ways in which the State Advisory Council (or similar State entity) will coordinate the various State and local activities that support the early childhood education professional development and career system; and

"(3) the ways in which the State Task Force will use funds provided under this part and carry out the activities described in section 815.

"SEC. 817. EVALUATIONS.

"(a) STATE EVALUATION.—Each State receiving a grant under this part shall—

"(1) evaluate the activities that are assisted under this part in order to determine—

"(A) the effectiveness of the activities in achieving State goals;

"(B) the impact of a career lattice for individuals working in early childhood education programs;

"(C) the impact of the activities on licensing or regulating requirements for individuals in the field of early childhood development;

"(D) the impact of the activities, and the impact of the statewide plan described in section 815(a)(3), on the quality of education, professional development, and training related to early childhood education programs that are offered in the State;

"(E) the change in compensation and retention of individuals working in early childhood education programs within the State resulting from the activities; and

"(F) the impact of the activities on the demographic characteristics of individuals working in early childhood education programs; and

"(2) submit a report at the end of the grant period to the Secretary regarding the evaluation described in paragraph (1).

"(b) SECRETARY'S EVALUATION.—Not later than September 30, 2013, the Secretary, in consultation with the Secretary of Health and Human Services, shall prepare and submit to the authorizing committees an evaluation of the State reports submitted under subsection (a)(2).

"SEC. 818. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART J—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

"SEC. 819. IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS.

"(a) PURPOSE.—The purposes of this section are—

"(1) to develop or expand programs for the development of professionals in the fields of science, technology, engineering, and mathematics; and

"(2) to focus resources on meeting the educational and cultural needs of Alaska Natives and Native Hawaiians.

"(b) DEFINITIONS.—In this section:

"(1) ALASKA NATIVE.—The term 'Alaska Native' has the meaning given such term in section 7306 of the Elementary and Secondary Education Act of 1965.

"(2) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means a partnership that includes—

"(A) one or more colleges, schools, or departments of engineering;

"(B) one or more colleges of science or mathematics;

"(C) one or more institutions of higher education that offer two-year degrees; and

"(D) one or more private entities that—

"(i) conduct career awareness activities showcasing local technology professionals;

"(ii) encourage students to pursue education in science, technology, engineering, and mathematics from elementary school through postsecondary education, and careers in those fields, with the assistance of local technology professionals;

"(iii) develop internships, apprenticeships, and mentoring programs in partnership with relevant industries; and

"(iv) assist with placement of interns and apprentices.

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 101(a)

"(4) NATIVE HAWAIIAN.—The term 'Native Hawaiian' has the meaning given the term in section 7207 of the Elementary and Secondary Education Act of 1965.

"(c) GRANT AUTHORIZED.—From the amounts appropriated to carry out this section under subsection (i), the Secretary is authorized to award a grant to an eligible partnership to enable the eligible partnership to expand programs for the development of science, technology, engineering, or mathematics professionals, from elementary school through postsecondary education, including existing programs for Alaska Native and Native Hawaiian students.

"(d) USES OF FUNDS.—Grant funds under this section shall be used for one or more of the following:

"(1) Development or implementation of cultural, social, or educational transition programs to assist students to transition into college life and academics in order to increase such students' retention rates in the fields of science, technology, engineering, or mathematics, with a focus on Alaska Native or Native Hawaiian students.

"(2) Development or implementation of academic support or supplemental educational programs to increase the graduation rates of students in the fields of science, technology, engineering, or mathematics, with a focus on Alaska Native and Native Hawaiian students.

"(3) Development or implementation of internship programs, carried out in coordination with educational institutions and private entities, to prepare students for careers in the fields of science, technology, engineering, or mathematics, with a focus on programs that serve Alaska Native or Native Hawaiian students.

"(4) Such other activities as are consistent with the purpose of this section.

"(e) APPLICATION.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(f) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an eligible partnership that, on the day before the date of enactment of the Higher Education Opportunity Act, provides one or more programs in which 30 percent or more of the program participants are Alaska Native or Native Hawaiian.

"(g) PERIOD OF GRANT.—A grant under this section shall be awarded for a period of five years.

"(h) EVALUATION AND REPORT.—Each eligible partnership that receives a grant under this section shall conduct an evaluation to determine the effectiveness of the programs funded under the grant and shall provide a report regarding the evaluation to the Secretary not later than six months after the end of the grant period.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART K—PILOT PROGRAMS TO INCREASE COLLEGE PERSISTENCE AND SUCCESS

"SEC. 820. PILOT PROGRAMS TO INCREASE COLLEGE PERSISTENCE AND SUCCESS.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated under subsection (i), the Secretary is authorized to award grants in accordance with this section, on a competitive basis, to eligible institutions to enable the institutions to develop programs to increase the persistence and success of low-income college students.

"(b) APPLICATIONS.—

"(1) IN GENERAL.—An eligible institution seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. An eligible institution may submit an application to receive a grant under subsection (c) or (d) or both.

"(2) EVALUATION CONDITION.—Each eligible institution seeking a grant under this section shall agree to participate in the evaluation described in subsection (f).

"(3) PRIORITY FOR REPLICATION OF EVIDENCE-BASED POLICIES AND PRACTICES.—In awarding grants for the program under subsection (d), the Secretary shall give priority to applications submitted by eligible institutions that propose to replicate policies and practices that have proven effective in increasing persistence and degree completion by low-income students or students in need of developmental education.

"(c) PILOT PROGRAM TO INCREASE PERSISTENCE AND SUCCESS IN COMMUNITY COLLEGES.—

"(1) DEFINITIONS.—In this subsection:

"(A) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education, as defined in section 101, that provides a one- or two-year program of study leading to a degree or certificate.

"(B) ELIGIBLE STUDENT.—The term 'eligible student' means a student who—

"(i) is eligible to receive assistance under section 401;

"(ii) is enrolled at least half-time;

"(iii) is not younger than age 19;

"(iv) is the parent of at least one dependent child, which dependent child is age 18 or younger;

"(v) has a secondary school diploma or its recognized equivalent; and

"(vi) does not have a degree or certificate from an institution of higher education.

"(2) USES OF FUNDS.—

"(A) SUPPORT.—The Secretary shall award grants under this subsection to eligible institutions to enable such institutions to provide additional monetary and nonmonetary support to eligible students to enable the eligible students to maintain enrollment and complete degree or certificate programs.

"(B) REQUIRED USES.—Each eligible institution receiving a grant under this subsection shall use the grant funds—

"(i) to provide scholarships in accordance with paragraph (3); and

"(ii) to provide counseling services in accordance with paragraph (4) .

"(C) ALLOWABLE USES OF FUNDS.—Grant funds provided under this subsection may be used—

"(i) to conduct outreach to make students aware of the scholarships and counseling services available under this subsection and to encourage the students to participate in the program assisted under this subsection; and

"(ii) to provide incentives of $20 or less to applicants who complete the process of applying for assistance under this subsection, as compensation for the student's time.

"(3) SCHOLARSHIP REQUIREMENTS.—

"(A) IN GENERAL.—Each scholarship awarded under this subsection shall—

"(i) be awarded for one academic year consisting of two semesters or the equivalent;

"(ii) require the student to maintain, during the scholarship period, at least half-time enrollment and at least a 2.0 grade point average or the equivalent;

"(iii) be awarded in the amount of $1,000 for each of two semesters (prorated for quarters or other equivalents), or $2,000 for an academic year;

"(iv) not exceed the student's cost of attendance, as defined in section 472; and

"(v) be paid, for each of the two semesters, in increments of—

"(I) $250 upon enrollment (prorated for quarters or other equivalents);

"(II) $250 upon passing midterm examinations or comparable assessments (prorated for quarters or other equivalents); and

"(III) $500 upon passing courses (prorated for quarters or other equivalents).

"(B) NUMBER.—An eligible institution may award an eligible student not more than two scholarships under this subsection.

"(4) COUNSELING SERVICES.—

"(A) IN GENERAL.—Each eligible institution receiving a grant under this subsection shall use the grant funds to provide students at the institution with a counseling staff dedicated to students participating in the program under this subsection. Each such counselor shall—

"(i) have a caseload of less than 125 students;

"(ii) use a proactive, team-oriented approach to counseling;

"(iii) hold a minimum of two meetings with each student each semester; and

"(iv) provide referrals to and follow-up with other student services staff, including financial aid and career services.

"(B) COUNSELING SERVICES AVAILABILITY.—The counseling services provided under this subsection shall be

available to participating students during the daytime and evening hours.

"(d) STUDENT SUCCESS GRANT PILOT PROGRAM.—

"(1) DEFINITIONS.—

"(A) ELIGIBLE INSTITUTION.—In this subsection, the term 'eligible institution' means an institution of higher education in which, during the three-year period preceding the year in which the institution is applying for a grant under this subsection, an average of not less than 50 percent of the institution's entering first-year students are assessed as needing developmental courses to bring reading, writing, or mathematics skills up to college level.

"(B) ELIGIBLE STUDENT.—In this subsection, the term 'eligible student' means a student who—

"(i) is eligible to receive assistance under section 401;

"(ii) is a first-year student at the time of entering the program;

"(iii) is assessed as needing developmental education to bring reading, writing, or mathematics skills up to college level; and

"(iv) is selected by an eligible institution to participate in the program.

"(2) STUDENT SUCCESS GRANT AMOUNT.—The Secretary shall award grants under this subsection to eligible institutions in an amount equal to $1,500 multiplied by the number of students the institution selects to participate in the program in such year. An institution shall not select more than 200 students to participate in the program under this subsection during such year.

"(3) REQUIRED USES.—An eligible institution that receives a grant under this subsection shall use the grant funds to assign a student success coach to each first-year student participating in the program to provide intensive career and academic advising, ongoing personal help in navigating college services (such as financial aid and registration), and assistance in connecting to community resources that can help students overcome family and personal challenges to success. Student success coaches—

"(A) shall work with not more than 50 new students during any academic period;

"(B) may be employees of academic departments, student services offices, community-based organizations, or other entities as determined appropriate by the institution; and

"(C) shall meet with each eligible student selected for the program before registration for courses.

"(4) ALLOWABLE USES.—An eligible institution that receives a grant under this subsection may use the grant funds to provide services and program innovations for students participating in the program, including the following:

"(A) College and career success courses provided at no charge to participating students. These courses may cover college success topics, including how to take notes, how to study, how to take tests, and how to budget time, and may also include a substantial career exploration

component. Institutions may use such courses to help students develop a college and career success plan, so that by the end of the first semester the students have a clear sense of their career goals and what classes to take to achieve such goals.

"(B) Work-study jobs with private employers in the students' fields of study.

"(C) Learning communities that ensure that students participating in the program are clustered together for at least two courses beginning in the first semester after enrolling and have other opportunities to create and maintain bonds that allow them to provide academic and social support to each other.

"(D) Curricular redesign, which may include such innovations as blended or accelerated remediation classes that help student success grant recipients to attain college-level reading, writing, or math skills (or a combination thereof) more rapidly than traditional remediation formats allow, and intensive skills refresher classes, offered prior to each semester, to help students who have tested into remedial coursework to reach entry level assessment scores for the postsecondary programs they wish to enter.

"(E) Instructional support, such as learning labs, supplemental instruction, and tutoring.

"(F) Assistance with support services, such as child care and transportation.

"(5) REQUIRED NON-FEDERAL SHARE.—Each institution participating in the program under this subsection shall provide a non-Federal share of 25 percent of the amount of grant to carry out the activities of the program. The non-Federal share under this subsection may be provided in cash or in kind.

"(e) PERIOD OF GRANT.—The Secretary may award a grant under subsection (c) or (d) of this section for a period of five years.

"(f) TECHNICAL ASSISTANCE AND EVALUATION.—

"(1) CONTRACTOR.—From the funds appropriated under this section, the Secretary shall enter into a contract with one or more private, nonprofit entities to provide technical assistance to grantees and to conduct the evaluations required under paragraph (3).

"(2) EVALUATIONS.—The evaluations required under paragraph (3) shall be conducted by entities that are capable of designing and carrying out independent evaluations that identify the impact of the activities carried out by eligible institutions under this subpart on improving persistence and success of student participants under this subpart.

"(3) CONDUCT OF EVALUATIONS.—The Secretary shall conduct an evaluation of the impact of the persistence and success grant programs as follows:

"(A) PROGRAM TO INCREASE PERSISTENCE IN COMMUNITY COLLEGES.—The evaluation of the program under subsection (c) shall be conducted using a random assignment research design with the following requirements:

"(i) When students are recruited for the program, all students will be told about the program and the evaluation.

"(ii) Baseline data will be collected from all applicants for assistance under subsection (c).

"(iii) Students will be assigned randomly to two groups, which will consist of—

"(I) a program group that will receive the scholarship and the additional counseling services; and

"(II) a control group that will receive whatever regular financial aid and counseling services are available to all students at the institution of higher education.

"(B) STUDENT SUCCESS GRANT PROGRAM.—Eligible institutions receiving a grant to carry out the program under subsection (d) shall work with the evaluator to track persistence and completion outcomes for students in such program, specifically the proportion of these students who take and complete developmental education courses, the proportion who take and complete college-level coursework, and the proportion who complete certificates and degrees. The data shall be broken down by gender, race, ethnicity, and age and the evaluator shall assist institutions in analyzing these data to compare program participants to comparable nonparticipants, using statistical techniques to control for differences in the groups.

"(g) REPORT.—The Secretary shall—

"(1) provide a report to the authorizing committees that includes the evaluation and information on best practices and lessons learned during the pilot programs described in this section; and

"(2) disseminate the report to the public by making the report available on the Department's website.

"(h) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be use to supplement and not supplant other Federal, State, and local funds available to the institution to carrying out the activities described in subsections (c) and (d).

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years. The Secretary may use not more than two percent of the amounts appropriated to provide the technical assistance and conduct the evaluations required under subsection (f).

"PART L—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

"SEC. 821. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From the amounts appropriated under subsection (g), the Secretary is authorized to award grants, on a competitive basis, to institutions of higher education or consortia of institutions of higher education to enable institutions of higher education or consortia to pay the Federal share of the cost of carrying out the authorized activities described in subsection (c).

"(2) CONSULTATION WITH THE ATTORNEY GENERAL AND THE SECRETARY OF HOMELAND SECURITY.—Where appropriate, the Secretary shall award grants under this section in consultation

with the Attorney General and the Secretary of Homeland Security.

"(3) DURATION.—The Secretary shall award each grant under this section for a period of two years.

"(4) LIMITATION ON INSTITUTIONS AND CONSORTIA.—An institution of higher education or consortium shall be eligible for only one grant under this section.

"(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the activities described in subsection (c) shall be 50 percent.

"(2) NON-FEDERAL SHARE.—An institution of higher education or consortium that receives a grant under this section shall provide the non-Federal share, which may be provided from State and local resources dedicated to emergency preparedness and response.

"(c) AUTHORIZED ACTIVITIES.—Each institution of higher education or consortium receiving a grant under this section may use the grant funds to carry out one or more of the following:

"(1) Developing and implementing a state-of-the-art emergency communications system for each campus of an institution of higher education or consortium, in order to contact students via cellular, text message, or other state-of-the-art communications methods when a significant emergency or dangerous situation occurs. An institution or consortium using grant funds to carry out this paragraph shall also, in coordination with the appropriate State and local emergency management authorities—

"(A) develop procedures that students, employees, and others on a campus of an institution of higher education or consortium will be directed to follow in the event of a significant emergency or dangerous situation; and

"(B) develop procedures the institution of higher education or consortium shall follow to inform, within a reasonable and timely manner, students, employees, and others on a campus in the event of a significant emergency or dangerous situation, which procedures shall include the emergency communications system described in this paragraph.

"(2) Supporting measures to improve safety at the institution of higher education or consortium, such as—

"(A) security assessments;

"(B) security training of personnel and students at the institution of higher education or consortium;

"(C) where appropriate, coordination of campus preparedness and response efforts with local law enforcement, local emergency management authorities, and other agencies, to improve coordinated responses in emergencies among such entities;

"(D) establishing a hotline that allows a student or staff member at an institution or consortium to report another student or staff member at the institution or consortium who the reporting student or staff member believes may be a danger to the reported student or staff member or to others; and

"(E) acquisition and installation of access control, video surveillance, intrusion detection, and perimeter security technologies and systems.

"(3) Coordinating with appropriate local entities for the provision of mental health services for students and staff of the institution of higher education or consortium, including mental health crisis response and intervention services for students and staff affected by a campus or community emergency.

"(d) APPLICATION.—Each institution of higher education or consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(e) TECHNICAL ASSISTANCE.—The Secretary shall coordinate technical assistance provided by State and local emergency management agencies, the Department of Homeland Security, and other agencies as appropriate, to institutions of higher education or consortia that request assistance in developing and implementing the activities assisted under this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"SEC. 822. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

"The Secretary, in consultation with the Attorney General and the Secretary of Homeland Security, shall continue to—

"(1) advise institutions of higher education on model emergency response policies, procedures, and practices; and

"(2) disseminate information concerning those policies, procedures, and practices.

"SEC. 823. PREPARATION FOR FUTURE DISASTERS PLAN BY THE SECRETARY.

"The Secretary shall continue to coordinate with the Secretary of Homeland Security and other appropriate agencies to develop and maintain procedures to address the preparedness, response, and recovery needs of institutions of higher education in the event of a natural or manmade disaster with respect to which the President has declared a major disaster or emergency (as such terms are defined in section 824).

"SEC. 824. EDUCATION DISASTER AND EMERGENCY RELIEF LOAN PROGRAM.

"(a) PROGRAM AUTHORIZED.—The Secretary, in consultation with the Secretary of Homeland Security, is authorized to establish an Education Disaster and Emergency Relief Loan Program for institutions of higher education impacted by a major disaster or emergency declared by the President.

"(b) USE OF ASSISTANCE.—The Secretary shall, subject to the availability of appropriations, provide loans under this section to institutions of higher education after the declaration of a major disaster or emergency by the President. Loan funds provided under this section may be used for construction, replacement, renovation, and operations costs resulting from a major disaster or emergency declared by the President.

"(c) APPLICATION REQUIREMENTS.—To be considered for a loan under this section, an institution of higher education shall—

"(1) submit a financial statement and other appropriate data, documentation, or evidence requested by the Secretary that indicates that the institution incurred losses resulting

from the impact of a major disaster or emergency declared by the President, and the monetary amount of such losses;

"(2) demonstrate that the institution had appropriate insurance policies prior to the major disaster or emergency and filed claims, as appropriate, related to the major disaster or emergency; and

"(3) demonstrate that the institution attempted to minimize the cost of any losses by pursuing collateral source compensation from the Federal Emergency Management Agency prior to seeking a loan under this section, except that an institution of higher education shall not be required to receive collateral source compensation from the Federal Emergency Management Agency prior to being eligible for a loan under this section.

"(d) AUDIT.—The Secretary may audit a financial statement submitted under subsection (c) and an institution of higher education shall provide any information that the Secretary determines necessary to conduct such an audit.

"(e) REDUCTION IN LOAN AMOUNTS.—To determine the amount of a loan to make available to an institution of higher education under this section, the Secretary shall calculate the monetary amount of losses incurred by such institution as a result of a major disaster or emergency declared by the President, and shall reduce such amount by the amount of collateral source compensation the institution has already received from insurance, the Federal Emergency Management Agency, and the Small Business Administration.

"(f) ESTABLISHMENT OF LOAN PROGRAM.—Prior to disbursing any loans under this section, the Secretary shall prescribe regulations that establish the Education Disaster and Emergency Relief Loan Program, including—

"(1) terms for the loan program;

"(2) procedures for an application for a loan;

"(3) minimum requirements for the loan program and for receiving a loan, including—

"(A) online forms to be used in submitting request for a loan;

"(B) information to be included in such forms; and

"(C) procedures to assist in filing and pursing a loan; and

"(4) any other terms and conditions the Secretary may prescribe after taking into consideration the structure of other existing capital financing loan programs under this Act.

"(g) DEFINITIONS.—In this section:

"(1) INSTITUTION AFFECTED BY A GULF HURRICANE DISASTER.—The term 'institution affected by a Gulf hurricane disaster' means an institution of higher education that—

"(A) is located in an area affected by a Gulf hurricane disaster; and

"(B) is able to demonstrate that the institution—

"(i) incurred physical damage resulting from the impact of a Gulf hurricane disaster; and

"(ii) was not able to fully reopen in existing facilities or to fully reopen to the pre-hurricane levels for 30 days or more on or after August 29, 2005.

"(2) AREA AFFECTED BY A GULF HURRICANE DISASTER; GULF HURRICANE DISASTER.—The terms 'area affected by a Gulf hurricane disaster' and 'Gulf hurricane disaster' have the meanings

given such terms in section 209 of the Higher Education Hurricane Relief Act of 2005 (Public Law 109-148, 119 Stat. 2808).

"(3) EMERGENCY.—The term 'emergency' has the meaning given such term in section 102(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(1)).

"(4) INSTITUTIONS OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 101.

"(5) MAJOR DISASTER.—The term 'major disaster' has the meaning given the term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).

"(h) EFFECTIVE DATE.—Loans provided to institutions of higher education pursuant to this section shall be available only with respect to major disasters or emergencies declared by the President that occur after the date of the enactment of the Higher Education Opportunity Act, except that loans may be provided pursuant to this section to an institution affected by a Gulf hurricane disaster with respect to such disaster.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"SEC. 825. GUIDANCE ON MENTAL HEALTH DISCLOSURES FOR STUDENT SAFETY.

"(a) GUIDANCE.—The Secretary shall continue to provide guidance that clarifies the role of institutions of higher education with respect to the disclosure of education records, including to a parent or legal guardian of a dependent student, in the event that such student demonstrates that the student poses a significant risk of harm to himself or herself or to others, including a significant risk of suicide, homicide, or assault. Such guidance shall further clarify that an institution of higher education that, in good faith, discloses education records or other information in accordance with the requirements of this Act and section 444 of the General Education Provisions Act (the Family Educational Rights and Privacy Act of 1974) shall not be liable to any person for that disclosure.

"(b) INFORMATION TO CONGRESS.—The Secretary shall provide an update to the authorizing committees on the Secretary's activities under subsection (a) not later than 180 days after the date of enactment of the Higher Education Opportunity Act.

"SEC. 826. RULE OF CONSTRUCTION.

"Nothing in this part shall be construed—

"(1) to provide a private right of action to any person to enforce any provision of this section;

"(2) to create a cause of action against any institution of higher education or any employee of the institution for any civil liability; or

"(3) to affect section 444 of the General Education Provisions Act (the Family Educational Rights and Privacy Act of 1974) or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).

"PART M—LOW TUITION

"SEC. 830. INCENTIVES AND REWARDS FOR LOW TUITION.

"(a) REWARDS FOR LOW TUITION.—

"(1) GRANTS.—From funds made available under subsection (e), the Secretary shall award grants to institutions of higher education that, for academic year 2009–2010 or any succeeding academic year—

"(A) have an annual tuition and fee increase, expressed as a percentage change, for the most recent academic year for which satisfactory data is available, that is in the lowest 20 percent of such increases for each category described in subsection (b);

"(B) are public institutions of higher education that have tuition and fees that are in the lowest quartile of for institutions in each category described in subsection (b)(1), (b)(4), or (b)(7); or

"(C) are public institutions of higher education that have a tuition and fee increase of less than $600 for a first-time, full-time undergraduate student.

"(2) USE OF FUNDS.—Funds awarded to an institution of higher education under paragraph (1) shall be distributed by the institution in the form of need-based grant aid to students who are eligible for Federal Pell Grants, except that no student shall receive an amount under this section that would cause the amount of total financial aid received by such student to exceed the cost of attendance of the institution.

"(b) CATEGORIES OF INSTITUTIONS.—The categories of institutions described in subsection (a) shall be the following:

"(1) four-year public institutions of higher education;

"(2) four-year private, nonprofit institutions of higher education;

"(3) four-year private, for-profit institutions of higher education;

"(4) two-year public institutions of higher education;

"(5) two-year private, nonprofit institutions of higher education;

"(6) two-year private, for-profit institutions of higher education;

"(7) less than two-year public institutions of higher education;

"(8) less than two-year private, nonprofit institutions of higher education; and

"(9) less than two-year private, for-profit institutions of higher education.

"(c) REWARDS FOR GUARANTEED TUITION.—

"(1) BONUS.—For each institution of higher education that the Secretary determines complies with the requirements of paragraph (2) or (3) of this subsection, the Secretary shall provide to such institution a bonus amount. Such institution shall award the bonus amount in the form of need-based aid first to students who are eligible for Federal Pell Grants who were in attendance at the institution during the award year that such institution satisfied the eligibility criteria for maintaining low tuition and fees, then to students who are eligible for Federal Pell Grants who were not in attendance at the institution during such award year.

"(2) FOUR-YEAR INSTITUTIONS.—An institution of higher education that provides a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if—

"(A) for a public institution of higher education, such institution's tuition and fees are in the lowest quartile of institutions in the same category as described under subsection (b); or

"(B) for any institution of higher education, such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2009, and for each of the four succeeding continuous academic years, the tuition and fees charged to an undergraduate student will not exceed—

"(i) for a public institution of higher education, $600 per year for a full-time undergraduate student; or

"(ii) for any other institution of higher education—

"(I) the amount that the student was charged for an academic year at the time the student first enrolled in the institution of higher education, plus

"(II) the percentage change in tuition and fees at the institution for the three most recent academic years for which data is available, multiplied by the amount determined under subclause (I).

"(3) LESS-THAN FOUR-YEAR INSTITUTIONS.—An institution of higher education that does not provide a program of instruction for which it awards a bachelor's degree complies with the requirements of this paragraph if—

"(A) for a public institution of higher education, such institution's tuition is in the lowest quartile of institutions in the same category as described under subsection (b); or

"(B) for any institution of higher education, such institution guarantees that for any academic year (or the equivalent) beginning on or after July 1, 2009, and for each of the 1.5 succeeding continuous academic years, the tuition and fees charged to an undergraduate student will not exceed—

"(i) for a public institution of higher education, $600 per year for a full-time undergraduate student; or

"(ii) for any other institution of higher education—

"(I) the amount that the student was charged for an academic year at the time the student first enrolled in the institution of higher education, plus

"(II) the percentage change in tuition and fees at the institution for the three most recent academic years for which data is available, multiplied by the amount determined under subclause (I).

"(d) DEFINITIONS.—In this section, the terms 'tuition and fees' and 'net price' have the meaning given to such terms in section 132 of this Act.

"(e) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART N—COOPERATIVE EDUCATION

"SEC. 831. STATEMENT OF PURPOSE; DEFINITION.

"(a) PURPOSE.—It is the purpose of this part to award grants to institutions of higher education or consortia of such institutions to encourage such institutions to develop and make available to their students work experience that will aid such students in future careers and will enable such students to support themselves financially while in school.

"(b) DEFINITION.—In this part the term 'cooperative education' means the provision of alternating or parallel periods of academic study and public or private employment to give students work experiences related to their academic or occupational objectives and an opportunity to earn the funds necessary for continuing and completing their education.

"SEC. 832. RESERVATIONS.

"(a) RESERVATIONS.—Of the amount appropriated to carry out this part in each fiscal year—

"(1) not less than 50 percent shall be available for awarding grants to institutions of higher education and consortia of such institutions described in section 833(a)(1)(A) for cooperative education under section 833;

"(2) not less than 25 percent shall be available for awarding grants to institutions of higher education described in section 833(a)(1)(B) for cooperative education under section 833;

"(3) not to exceed 11 percent shall be available for demonstration projects under paragraph (1) of section 834(a);

"(4) not to exceed 11 percent shall be available for training and resource centers under paragraph (2) of section 834(a); and

"(5) not to exceed 3 percent shall be available for research under paragraph (3) of section 834(a).

"(b) AVAILABILITY OF APPROPRIATIONS.—Amounts appropriated under this part shall not be used for the payment of compensation of students for employment by employers participating in a program under this part.

"SEC. 833. GRANTS FOR COOPERATIVE EDUCATION.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized, from the amount available to carry out this section under section 835 in each fiscal year and in accordance with the provisions of this part—

"(A) to award grants to institutions of higher education or consortia of such institutions that have not received a grant under this paragraph in the ten-year period preceding the date for which a grant under this section is requested to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or consortia of institutions; and

"(B) to award grants to institutions of higher education that are operating an existing cooperative education program as determined by the Secretary to pay the Federal share of the cost of planning, establishing, expanding, or

carrying out programs of cooperative education by such institutions.

"(2) PROGRAM REQUIREMENT.—Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving students work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

"(3) AMOUNT OF GRANTS.—

"(A) The amount of each grant awarded pursuant to paragraph (1)(A) to any institution of higher education or consortia of such institutions in any fiscal year shall not exceed $500,000.

"(B)(i) Except as provided in clauses (ii) and (iii), the Secretary shall award grants in each fiscal year to each institution of higher education described in paragraph (1)(B) that has an application approved under subsection (b) in an amount that bears the same ratio to the amount reserved pursuant to section 832(a)(2) for such fiscal year as the number of unduplicated students placed in cooperative education jobs during the preceding fiscal year by such institution of higher education (other than cooperative education jobs under section 834 and as determined by the Secretary) bears to the total number of all such students placed in such jobs during the preceding fiscal year by all such institutions.

"(ii) No institution of higher education shall receive a grant pursuant to paragraph (1)(B) in any fiscal year in an amount that exceeds 25 percent of such institution's cooperative education program's personnel and operating budget for the preceding fiscal year.

"(iii) The minimum annual grant amount that an institution of higher education is eligible to receive under paragraph (1)(B) is $1,000 and the maximum annual grant amount is $75,000.

"(4) LIMITATION.—The Secretary shall not award grants pursuant to subparagraphs (A) and (B) of paragraph (1) to the same institution of higher education or consortia of such institution in any one fiscal year.

"(5) USES.—Grants awarded under paragraph (1)(B) shall be used exclusively—

"(A) to expand the quality of and participation in a cooperative education program;

"(B) for outreach to potential participants in new curricular areas; and

"(C) for outreach to potential participants including underrepresented and nontraditional populations.

"(b) APPLICATIONS.—Each institution of higher education or consortium of such institutions desiring to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall—

"(1) set forth the program or activities for which a grant is authorized under this section;

"(2) specify each portion of such program or activities which will be performed by a nonprofit organization or institution

other than the applicant, and the amount of grant funds to be used for such program or activities;

"(3) provide that the applicant will expend, during the fiscal year for which the grant is awarded for the purpose of such program or activities, not less than the amount expended for such purpose during the previous fiscal year;

"(4) describe the plans which the applicant will carry out to assure, and contain a formal statement of the institution's commitment that assures, that the applicant will continue the cooperative education program beyond the five-year period of Federal assistance described in subsection (c)(1) at a level that is not less than the total amount expended for such program during the first year such program was assisted under this section;

"(5) provide that, in the case of an institution of higher education that provides a two-year program that is acceptable for full credit toward a bachelor's degree, the cooperative education program will be available to students who are certificate or associate degree candidates and who carry at least one-half of the normal full-time academic workload;

"(6) provide that the applicant will—

"(A) make such reports as may be necessary to ensure that the applicant is complying with the provisions of this section, including reports for the second and each succeeding fiscal year for which the applicant receives a grant with respect to the impact of the cooperative education program in the previous fiscal year, including—

"(i) the number of unduplicated student applicants in the cooperative education program;

"(ii) the number of unduplicated students placed in cooperative education jobs;

"(iii) the number of employers who have hired cooperative education students;

"(iv) the income for students derived from working in cooperative education jobs; and

"(v) the increase or decrease in the number of unduplicated students placed in cooperative education jobs in each fiscal year compared to the previous fiscal year; and

"(B) keep such records as may be necessary to ensure that the applicant is complying with the provisions of this part, including the notation of cooperative education employment on the student's transcript;

"(7) describe the extent to which programs in the academic disciplines for which the application is made have satisfactorily met the needs of public and private sector employers;

"(8) describe the extent to which the institution is committed to extending cooperative education on an institution-wide basis for all students who can benefit;

"(9) describe the plans that the applicant will carry out to evaluate the applicant's cooperative education program at the end of the grant period;

"(10) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part;

"(11) demonstrate a commitment to serving underserved populations at the institution; and

"(12) include such other information as may be necessary to carry out the provisions of this part.

"(c) DURATION OF GRANTS; FEDERAL SHARE.—

"(1) DURATION OF GRANTS.—No individual institution of higher education may receive, individually or as a participant in a consortium of such institutions—

"(A) a grant pursuant to subsection (a)(1)(A) for more than five fiscal years; or

"(B) a grant pursuant to subsection (a)(1)(B) for more than five fiscal years.

"(2) FEDERAL SHARE.—The Federal share of a grant under subsection (a)(1)(A) may not exceed—

"(A) 85 percent of the cost of carrying out the program or activities described in the application in the first year the applicant receives a grant under this section;

"(B) 70 percent of such cost in the second such year;

"(C) 55 percent of such cost in the third such year;

"(D) 40 percent of such cost in the fourth such year; and

"(E) 25 percent of such cost in the fifth such year.

"(3) SPECIAL RULE.—Notwithstanding any other provision of law, the Secretary may not waive the provisions of paragraphs (1) and (2).

"(d) MAINTENANCE OF EFFORT.—If the Secretary determines that a recipient of funds under this section has failed to maintain the fiscal effort described in subsection (b)(3), then the Secretary may elect not to make grant payments under this section to such recipient.

"(e) FACTORS FOR SPECIAL CONSIDERATION OF APPLICATIONS.—

"(1) IN GENERAL.—In approving applications under this section, the Secretary shall give special consideration to applications from institutions of higher education or consortia of such institutions for programs that show the greatest promise of success because of—

"(A) the extent to which programs in the academic discipline with respect to which the application is made have satisfactorily met the needs of public and private sector employers;

"(B) the strength of the commitment of the institution of higher education or consortium of such institutions to cooperative education as demonstrated by the plans and formalized institutional commitment statement which such institution or consortium has made to continue the program after the termination of Federal financial assistance;

"(C) the extent to which the institution or consortium of institutions is committed to extending cooperative education for students who can benefit; and

"(D) such other factors as are consistent with the purposes of this section.

"(2) ADDITIONAL SPECIAL CONSIDERATION.—The Secretary shall also give special consideration to applications from institutions of higher education or consortia of such institutions that demonstrate a commitment to serving underserved populations attending such institutions.

"SEC. 834. DEMONSTRATION AND INNOVATION PROJECTS; TRAINING AND RESOURCE CENTERS; AND RESEARCH.

"(a) AUTHORIZATION.—From the amounts appropriated under section 835, the Secretary is authorized, in accordance with the provisions of this section, to make grants and enter into contracts—

"(1) from the amounts available in each fiscal year under section 832(a)(3), for the conduct of demonstration projects designed to demonstrate or determine the effectiveness of innovative methods of cooperative education;

"(2) from the amounts available in each fiscal year under section 832(a)(4), for the conduct of training and resource centers designed to—

"(A) train personnel in the field of cooperative education;

"(B) improve materials used in cooperative education programs if such improvement is conducted in conjunction with other activities described in this paragraph;

"(C) provide technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program without Federal assistance;

"(D) encourage model cooperative education programs that furnish education and training in occupations in which there is a national need;

"(E) support partnerships under which an institution carrying out a comprehensive cooperative education program joins with one or more institutions of higher education in order to—

"(i) assist the institution that is not the institution carrying out the cooperative education program to develop and expand an existing program of cooperative education; or

"(ii) establish and improve or expand comprehensive cooperative education programs; and

"(F) encourage model cooperative education programs in the fields of science and mathematics for women and minorities who are underrepresented in such fields; and

"(3) from the amounts available in each fiscal year under section 832(a)(5), for the conduct of research relating to cooperative education.

"(b) ADMINISTRATIVE PROVISION.—

"(1) IN GENERAL.—To carry out this section, the Secretary may—

"(A) make grants to or contracts with institutions of higher education or consortia of such institutions; and

"(B) make grants to or contracts with other public or private nonprofit agencies or organizations, whenever such grants or contracts will contribute to the objectives of this section.

"(2) LIMITATION.—

"(A) CONTRACTS WITH INSTITUTIONS OF HIGHER EDUCATION.—The Secretary may use not more than three percent of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(A).

"(B) CONTRACTS WITH OTHER AGENCIES OR ORGANIZATIONS.—The Secretary may use not more than three percent

of the amount appropriated to carry out this section in each fiscal year to enter into contracts described in paragraph (1)(B).

"(c) SUPPLEMENT NOT SUPPLANT.—A recipient of a grant or contract under this section may use the funds provided only to supplement funds made available from non-Federal sources to carry out the activities supported by such grant or contract, and in no case to supplant such funds from non-Federal sources.

"SEC. 835. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART O—COLLEGE PARTNERSHIP GRANTS

"SEC. 841. COLLEGE PARTNERSHIP GRANTS AUTHORIZED.

"(a) GRANTS AUTHORIZED.—From the amount appropriated to carry out this section, the Secretary shall award grants to eligible partnerships for the purposes of developing and implementing articulation agreements.

"(b) ELIGIBLE PARTNERSHIPS.—For purposes of this part, an eligible partnership shall include at least two institutions of higher education, or a system of institutions of higher education, and may include either or both of the following:

"(1) A consortia of institutions of higher education.

"(2) A State higher education agency.

"(c) PRIORITY.—The Secretary shall give priority to eligible partnerships that—

"(1) are located in a State that has employed strategies described in section 486A(d); or

"(2) include—

"(A) one or more junior or community colleges (as defined by section 312(f)) that award associate's degrees; and

"(B) one or more institutions of higher education that offer a baccalaureate or post-baccalaureate degree not awarded by the institutions described in subparagraph (A) with which it is partnered.

"(d) MANDATORY USE OF FUNDS.—Grants awarded under this part shall be used for—

"(1) the development of policies and programs to expand opportunities for students to earn bachelor's degrees, by facilitating the transfer of academic credits between institutions and expanding articulation and guaranteed transfer agreements between institutions of higher education, including through common course numbering and general education core curriculum;

"(2) academic program enhancements; and

"(3) programs to identify and remove barriers that inhibit student transfers, including technological and informational programs.

"(e) OPTIONAL USE OF FUNDS.—Grants awarded under this part may be used for—

"(1) support services to students participating in the program, such as tutoring, mentoring, and academic and personal counseling; and

"(2) any service that facilitates the transition of students between the partner institutions.

"(f) PROHIBITION.—No funds provided under this section shall be used to financially compensate an institution for the purposes of entering into an articulation agreement or for accepting students transferring into such institution.

"(g) APPLICATIONS.—Any eligible partnership that desires to obtain a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information or assurances as the Secretary may require.

"(h) DEFINITION.—For purposes of this section, the term 'articulation agreement' means an agreement between institutions of higher education that specifies the acceptability of courses in transfer toward meeting specific degree requirements.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART P—JOBS TO CAREERS

"SEC. 851. GRANTS TO CREATE BRIDGES FROM JOBS TO CAREERS.

"(a) PURPOSE.—The purpose of this section is to provide grants on a competitive basis to institutions of higher education for the purpose of improving developmental education to help students move more rapidly into for-credit occupational courses and into better jobs that may require a certificate or degree.

"(b) AUTHORIZATION OF PROGRAM.—From amounts appropriated to carry out this section, the Secretary shall award grants, on a competitive basis, to institutions of higher education, as defined in section 101(a), to create workforce bridge programs between developmental courses and for-credit courses in occupational certificate programs that are articulated to degree programs. Such workforce bridge programs shall focus on—

"(1) improving developmental education, including English language instruction, by customizing developmental education to student career goals; and

"(2) helping students move rapidly from developmental coursework into for-credit occupational courses and through program completion.

"(c) APPLICATION.—An institution of higher education desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(d) PRIORITIES.—The Secretary shall give priority to applications that—

"(1) are from institutions of higher education in which not less than 50 percent of the institution's entering first-year students who are subject to mandatory assessment are assessed as needing developmental courses to bring reading, writing, or mathematics skills up to college level; and

"(2) propose to replicate practices that have proven effective with adults, or propose to collaborate with adult education providers.

"(e) REQUIRED ACTIVITY.—An institution of higher education that receives a grant under this section shall use the grant funds to create workforce bridge programs to customize developmental

education curricula, including English language instruction, to reflect the content of for-credit occupational certificate or degree programs, or clusters of such programs, in which developmental education students are enrolled or plan to enroll. Such workforce bridge programs shall integrate the curricula and the instruction of the developmental and college-level coursework.

"(f) PERMISSIBLE ACTIVITIES.—An institution of higher education that receives a grant under this section may use the grant funds to carry out one or more of the following activities:

"(1) Designing and implementing innovative ways to improve retention in and completion of developmental education courses, including enrolling students in cohorts, accelerating course content, dually enrolling students in developmental and college-level courses, tutoring, providing counseling and other supportive services, and giving small, material incentives for attendance and performance.

"(2) In consultation with faculty in the appropriate departments, reconfiguring courses offered on-site during standard academic terms for modular, compressed, or other alternative schedules, or for distance-learning formats, to meet the needs of working adults.

"(3) Developing counseling strategies that address the needs of students in remedial education courses, and including counseling students on career options and the range of programs available, such as certificate programs that are articulated to degree programs and programs designed to facilitate transfer to four-year institutions of higher education.

"(4) Improving the quality of teaching in remedial courses through professional development, reclassification of such teaching positions, or other means the institution of higher education determines appropriate.

"(5) Any other activities the institution of higher education and the Secretary determine will promote retention of, and completion by, students attending institutions of higher education.

"(g) GRANT PERIOD.—Grants made under this section shall be for a period of not less than three years and not more than five years.

"(h) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to recipients of, and applicants for, grants under this section.

"(i) REPORT AND SUMMARY.—Each institution of higher education that receives a grant under this section shall report to the Secretary on the effectiveness of the program in enabling students to move rapidly from developmental coursework into for-credit occupational courses and through program completion. The Secretary shall summarize the reports, identify best practices, and disseminate the information from such summary and identification to the public.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART Q—RURAL DEVELOPMENT GRANTS FOR RURAL-SERVING COLLEGES AND UNIVERSITIES

"SEC. 861. GRANTS TO RURAL-SERVING INSTITUTIONS OF HIGHER EDUCATION.

"(a) PURPOSES.—The purposes of this section are—

"(1) to increase enrollment and graduation rates of secondary school graduates and nontraditional students from rural areas at two-year and four-year institutions of higher education, and their articulation from two-year degree programs into four-year degree programs; and

"(2) to promote economic growth and development in rural America through partnership grants to consortia of rural-serving institutions of higher education, local educational agencies, and regional employers.

"(b) DEFINITIONS.—For the purposes of this section:

"(1) RURAL-SERVING INSTITUTION OF HIGHER EDUCATION.—The term 'rural-serving institution of higher education' means an institution of higher education that primarily serves rural areas.

"(2) RURAL AREA.—The term 'rural area' means an area that is defined, identified, or otherwise recognized as rural by a governmental agency of the State in which the area is located.

"(3) NONTRADITIONAL STUDENT.—The term 'nontraditional student' means an individual who—

"(A) delays enrollment in an institution of higher education by three or more years after secondary school graduation;

"(B) attends an institution of higher education part-time; or

"(C) attends an institution of higher education and—

"(i) works full-time;

"(ii) is an independent student, as defined in section 480;

"(iii) has one or more dependents other than a spouse;

"(iv) is a single parent; or

"(v) does not have a secondary school diploma or the recognized equivalent of such a diploma.

"(4) REGIONAL EMPLOYER.—The term 'regional employer' means an employer within a rural area.

"(c) PARTNERSHIP.—

"(1) REQUIRED PARTNERS.—A rural-serving institution of higher education, or a consortium of rural-serving institutions of higher education, that receives a grant under this section shall carry out the activities of the grant in partnership with—

"(A) one or more local educational agencies serving a rural area; and

"(B) one or more regional employers or local boards (as such term is defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)) serving a rural area.

"(2) OPTIONAL PARTNERS.—A rural-serving institution of higher education, or a consortium of rural-serving institutions

of higher education, that receives a grant under this section, may carry out the activities of the grant in partnership with—

"(A) an educational service agency (as defined in section 9101 of the Elementary and Secondary Education Act of 1965); or

"(B) a nonprofit organization with demonstrated expertise in rural education at the secondary and postsecondary levels.

"(d) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From amounts made available under subsection (g), the Secretary is authorized to award grants, on a competitive basis, to eligible rural-serving institutions of higher education or a consortium of such institutions, to carry out the activities described in subsection (f).

"(2) DURATION.—A grant awarded under this section shall be awarded for a period not to exceed three years.

"(3) MAXIMUM AND MINIMUM GRANTS.—No grant awarded under this section shall be less than $200,000.

"(4) SPECIAL CONSIDERATIONS.—In awarding grants under this section, the Secretary shall give special consideration to applications that demonstrate the most potential and propose the most promising and innovative approaches for—

"(A) increasing the percentage of graduates of rural secondary schools attending rural-serving institutions of higher education;

"(B) meeting the employment needs of regional employers with graduates of rural-serving institutions of higher education; and

"(C) improving the health of the regional economy of a rural area through a partnership of local educational agencies serving the rural area, rural-serving institutions of higher education, and regional employers.

"(5) LIMITATION.—A rural-serving institution of higher education shall not receive more than one grant under this section.

"(e) APPLICATIONS.—Each rural-serving institution of higher education desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(f) REQUIRED USE OF FUNDS.—A rural-serving institution of higher education that receives a grant under this section shall use grant funds for at least three of the following four purposes:

"(1) To improve postsecondary enrollment rates for rural secondary school students at rural-serving institutions of higher education, which may include—

"(A) programs to provide students and families with counseling related to applying for postsecondary education, and Federal and State financial assistance for postsecondary education;

"(B) programs that provide students and families of rural high schools access and exposure to campuses, classes, programs, and internships of rural-serving institutions of higher education, including covering the cost of transportation to and from such institutions; and

"(C) other initiatives that assist students and families in applying for and developing interest in attending rural-serving institutions of higher education.

"(2) To increase enrollment rates of nontraditional students in degree programs at rural-serving institutions of higher education, which may include—

"(A) programs to provide nontraditional students with counseling related to applying for postsecondary education, and Federal and State financial assistance for postsecondary education;

"(B) community outreach initiatives to encourage nontraditional students to enroll in a rural-serving institution of higher education; and

"(C) programs to improve the enrollment of nontraditional students in two-year degree programs and the transition of nontraditional students articulating from two-year degree programs to four-year degree programs.

"(3) To create or strengthen academic programs at rural-serving institutions of higher education to prepare graduates to enter into high-need occupations in the regional and local economies.

"(4) To provide additional career training to students of rural-serving institutions of higher education in fields relevant to the regional economy.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as many be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART R—CAMPUS-BASED DIGITAL THEFT PREVENTION

"SEC. 871. CAMPUS-BASED DIGITAL THEFT PREVENTION.

"(a) PROGRAM AUTHORITY.—From the amounts appropriated under subsection (d), the Secretary may make grants to institutions of higher education, or consortia of such institutions, and enter into contracts with such institutions, consortia, and other organizations, to develop, implement, operate, improve, and disseminate programs of prevention, education, and cost-effective technological solutions, to reduce and eliminate the illegal downloading and distribution of intellectual property. Such grants or contracts may also be used for the support of higher education centers that will provide training, technical assistance, evaluation, dissemination, and associated services and assistance to the higher education community as determined by the Secretary and institutions of higher education.

"(b) AWARDS.—Grants and contracts shall be awarded under this section on a competitive basis.

"(c) APPLICATIONS.—An institution of higher education or a consortium of such institutions that desires to receive a grant or contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require by regulation.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART S—TRAINING FOR REALTIME WRITERS

"SEC. 872. PROGRAM TO PROMOTE TRAINING AND JOB PLACEMENT OF REALTIME WRITERS.

"(a) AUTHORIZATION OF GRANT PROGRAM.—

"(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary shall award grants, on a competitive basis, to eligible entities under paragraph (2) to promote training and placement of individuals, including individuals who have completed a court reporting training program, as realtime writers in order to meet the requirements for closed captioning of video programming set forth in section 713 of the Communications Act of 1934 (47 U.S.C. 613) and the rules prescribed thereunder.

"(2) ELIGIBLE ENTITIES.—For purposes of this section, an eligible entity is a court reporting program that—

"(A) has a curriculum capable of training realtime writers qualified to provide captioning services;

"(B) is accredited by an accrediting agency or association recognized by the Secretary; and

"(C) is participating in student aid programs under title IV.

"(3) PRIORITY IN GRANTS.—In determining whether to make grants under this section, the Secretary shall give a priority to eligible entities that, as determined by the Secretary—

"(A) possess the most substantial capability to increase their capacity to train realtime writers;

"(B) demonstrate the most promising collaboration with educational institutions, businesses, labor organizations, or other community groups having the potential to train or provide job placement assistance to realtime writers; or

"(C) propose the most promising and innovative approaches for initiating or expanding training or job placement assistance efforts with respect to realtime writers.

"(4) DURATION OF GRANT.—A grant under this section shall be for a period of up to five years.

"(5) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under this subsection to an eligible entity may not exceed $1,500,000 for the period of the grant.

"(b) APPLICATION.—

"(1) IN GENERAL.—To receive a grant under subsection (a), an eligible entity shall submit an application to the Secretary at such time and in such manner as the Secretary may require. The application shall contain the information set forth under paragraph (2).

"(2) INFORMATION.—Information in the application of an eligible entity for a grant under subsection (a) shall include the following:

"(A) A description of the training and assistance to be funded using the grant amount, including how such training and assistance will increase the number of realtime writers.

"(B) A description of performance measures to be utilized to evaluate the progress of individuals receiving such training and assistance in matters relating to enrollment, completion of training, and job placement and retention.

"(C) A description of the manner in which the eligible entity will ensure that recipients of scholarships, if any, funded by the grant will be employed and retained as realtime writers.

"(D) A description of the manner in which the eligible entity intends to continue providing the training and assistance to be funded by the grant after the end of the grant period, including any partnerships or arrangements established for that purpose.

"(E) A description of how the eligible entity will work with local boards (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)) to ensure that training and assistance to be funded with the grant will further local workforce goals, including the creation of educational opportunities for individuals who are from economically disadvantaged backgrounds or are displaced workers.

"(F) Additional information, if any, on the eligibility of the eligible entity for priority in the making of grants under subsection (a)(3).

"(G) Such other information as the Secretary may require.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—An eligible entity receiving a grant under subsection (a) shall use the grant amount for purposes relating to the recruitment, training and assistance, and job placement of individuals, including individuals who have completed a court reporting training program, as realtime writers, including—

"(A) recruitment;

"(B) subject to paragraph (2), the provision of scholarships;

"(C) distance learning;

"(D) further developing and implementing both English and Spanish curricula to more effectively train individuals in realtime writing skills, and education in the knowledge necessary for the delivery of high quality closed captioning services;

"(E) mentoring students to ensure successful completion of the realtime training and providing assistance in job placement;

"(F) encouraging individuals with disabilities to pursue a career in realtime writing; and

"(G) the employment and payment of personnel for the purposes described in this paragraph.

"(2) SCHOLARSHIPS.—

"(A) AMOUNT.—The amount of a scholarship under paragraph (1)(B) shall be based on the amount of need of the scholarship recipient for financial assistance, as determined in accordance with part F of title IV.

"(B) AGREEMENT.—Each recipient of a scholarship under paragraph (1)(B) shall enter into an agreement with the school in which the recipient is enrolled to provide realtime writing services for the purposes described in subsection (a)(1) for a period of time appropriate (as determined by the Secretary) for the amount of the scholarship received.

"(C) COURSEWORK AND EMPLOYMENT.—The Secretary shall establish requirements for coursework and employment for recipients of scholarships under paragraph (1)(B), including requirements for repayment of scholarship amounts in the event of failure to meet such requirements for coursework and employment. The Secretary may waive, in whole or in part, the requirements for repayment of scholarship amounts on the basis of economic conditions which may affect the ability of scholarship recipients to find work as realtime writers.

"(3) ADMINISTRATIVE COSTS.—The recipient of a grant under this section may not use more than five percent of the grant amount to pay administrative costs associated with activities funded by the grant. The Secretary shall use not more than five percent of the amount available for grants under this section in any fiscal year for administrative costs of the program.

"(4) SUPPLEMENT NOT SUPPLANT.—Grant amounts under this section shall supplement and not supplant other Federal or non-Federal funds of the grant recipient for purposes of promoting the training and placement of individuals as realtime writers.

"(d) REPORT.—

"(1) IN GENERAL.—Each eligible entity receiving a grant under subsection (a) shall submit to the Secretary, at the end of the grant period, a report on the activities of such entity with respect to the use of grant amounts during the grant period.

"(2) REPORT INFORMATION.—Each report of an eligible entity under paragraph (1) shall include—

"(A) an assessment by the entity of the effectiveness of activities carried out using such funds in increasing the number of realtime writers, using the performance measures submitted by the eligible entity in the application for the grant under subsection (b)(2); and

"(B) a description of the best practices identified by the eligible entity for increasing the number of individuals who are trained, employed, and retained in employment as realtime writers.

"(3) SUMMARIES.—The Secretary shall summarize the reports submitted under paragraph (2) and make such summary available on the Department's website.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART T—CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS

"SEC. 873. MODEL PROGRAMS FOR CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS.

"(a) PURPOSE.—It is the purpose of this section to encourage model programs to support veteran student success in postsecondary education by coordinating services to address the academic, financial, physical, and social needs of veteran students.

"(b) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—Subject to the availability of appropriations under subsection (f), the Secretary shall award grants to institutions of higher education to develop model programs to support veteran student success in postsecondary education.

"(2) GRANT PERIOD.—A grant awarded under this section shall be awarded for a period of three years.

"(c) USE OF GRANTS.—

"(1) REQUIRED ACTIVITIES.—An institution of higher education receiving a grant under this section shall use such grant to carry out a model program that includes—

"(A) establishing a Center of Excellence for Veteran Student Success on the campus of the institution to provide a single point of contact to coordinate comprehensive support services for veteran students;

"(B) establishing a veteran student support team, including representatives from the offices of the institution responsible for admissions, registration, financial aid, veterans benefits, academic advising, student health, personal or mental health counseling, career advising, disabilities services, and any other office of the institution that provides support to veteran students on campus;

"(C) providing a coordinator whose primary responsibility is to coordinate the model program carried out under this section;

"(D) monitoring the rates of veteran student enrollment, persistence, and completion; and

"(E) developing a plan to sustain the Center of Excellence for Veteran Student Success after the grant period.

"(2) OTHER AUTHORIZED ACTIVITIES.—An institution of higher education receiving a grant under this section may use such grant to carry out any of the following activities with respect to veteran students:

"(A) Outreach and recruitment of such students.

"(B) Supportive instructional services for such students, which may include—

"(i) personal, academic, and career counseling, as an ongoing part of the program;

"(ii) tutoring and academic skill-building instruction assistance, as needed; and

"(iii) assistance with special admissions and transfer of credit from previous postsecondary education or experience.

"(C) Assistance in obtaining student financial aid.

"(D) Housing support for veteran students living in institutional facilities and commuting veteran students.

"(E) Cultural events, academic programs, orientation programs, and other activities designed to ease the transition to campus life for veteran students.

"(F) Support for veteran student organizations and veteran student support groups on campus.

"(G) Coordination of academic advising and admissions counseling with military bases and national guard units in the area.

"(H) Other support services the institution determines to be necessary to ensure the success of veterans in achieving educational and career goals.

"(d) APPLICATION; SELECTION.—

"(1) APPLICATION.—To be considered for a grant under this section, an institution of higher education shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require.

"(2) SELECTION CONSIDERATIONS.—In awarding grants under this section, the Secretary shall consider—

"(A) the number of veteran students enrolled at an institution of higher education; and

"(B) the need for model programs to address the needs of veteran students at a wide range of institutions of higher education, including the need to provide—

"(i) an equitable distribution of such grants to institutions of higher education of various types and sizes;

"(ii) an equitable geographic distribution of such grants; and

"(iii) an equitable distribution of such grants among rural and urban areas.

"(e) EVALUATION AND ACCOUNTABILITY PLAN.—The Secretary shall develop an evaluation and accountability plan for model programs funded under this section to objectively measure the impact of such programs, including a measure of whether postsecondary education enrollment, persistence, and completion for veterans increases as a result of such programs.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART U—UNIVERSITY SUSTAINABILITY PROGRAMS

"SEC. 881. SUSTAINABILITY PLANNING GRANTS AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall make grants to eligible entities to establish sustainability programs to design and implement sustainability practices, including in the areas of energy management, greenhouse gas emissions reductions, green building, waste management, purchasing, transportation, and toxics management, and other aspects of sustainability that integrate campus operations with multidisciplinary academic programs and are applicable to the private and government sectors.

"(2) PERIOD OF GRANT.—The provision of payments under a grant under paragraph (1) shall extend over a period of not more than four fiscal years.

"(3) DEFINITION OF ELIGIBLE ENTITY.—For purposes of this part, the term 'eligible entity' means—

"(A) an institution of higher education; or

"(B) a nonprofit consortium, association, alliance, or collaboration operating in partnership with one or more institutions of higher education that received funds for the implementation of work associated with sustainability programs under this part.

"(b) APPLICATIONS.—

"(1) IN GENERAL.—To receive a grant under subsection (a)(1), an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may reasonably require.

"(2) ASSURANCES.—Such application shall include assurances that the eligible entity—

"(A) has developed a plan, including an evaluation component, for the program component established pursuant to subsection (c);

"(B) shall use Federal funds received from a grant under subsection (a) to supplement, not supplant, non-Federal funds that would otherwise be available for projects funded under this section;

"(C) shall provide, with respect to any fiscal year in which such entity receives funds from a grant under subsection (a)(1), non-Federal funds or an in-kind contribution in an amount equal to 20 percent of funds from such grant, for the purpose of carrying out the program component established pursuant to subsection (c); and

"(D) shall collaborate with business, government, and the nonprofit sectors in the development and implementation of its sustainability plan.

"(c) USE OF FUNDS.—

"(1) INDIVIDUAL INSTITUTIONS.—Grants made under subsection (a) may be used by an eligible entity that is an individual institution of higher education for the following purposes:

"(A) To develop and implement administrative and operations practices at an institution of higher education that test, model, and analyze principles of sustainability.

"(B) To establish multidisciplinary education, research, and outreach programs at an institution of higher education that address the environmental, social, and economic dimensions of sustainability.

"(C) To support research and teaching initiatives that focus on multidisciplinary and integrated environmental, economic, and social elements.

"(D) To establish initiatives in the areas of energy management, greenhouse gas emissions reductions, green building, waste management, purchasing, toxics management, transportation, and other aspects of sustainability.

"(E) To support student, faculty, and staff work at an institution of higher education to implement, research, and evaluate sustainable practices.

"(F) To expand sustainability literacy on campus.

"(G) To integrate sustainability curricula in all programs of instruction, particularly in business, architecture, technology, manufacturing, engineering, and science programs.

"(2) PARTNERSHIPS.—Grants made under subsection (a) may be used by an eligible entity that is a nonprofit consortium, association, alliance, or collaboration operating in partnership with one or more institutions of higher education for the following purposes:

"(A) To conduct faculty, staff and administrator training on the subjects of sustainability and institutional change.

"(B) To compile, evaluate, and disseminate best practices, case studies, guidelines and standards regarding sustainability.

"(C) To conduct efforts to engage external stakeholders such as business, alumni, and accrediting agencies in the process of building support for research, education, and technology development for sustainability.

"(D) To conduct professional development programs for faculty in all disciplines to enable faculty to incorporate sustainability content in their courses.

"(E) To create the analytical tools necessary for institutions of higher education to assess and measure their individual progress toward fully sustainable campus operations and fully integrating sustainability into the curriculum.

"(F) To develop educational benchmarks for institutions of higher education to determine the necessary rigor and effectiveness of academic sustainability programs.

"(d) REPORTS.—An eligible entity that receives a grant under subsection (a) shall submit to the Secretary, for each fiscal year in which the entity receives amounts from such grant, a report that describes the work conducted pursuant to subsection (c), research findings and publications, administrative savings experienced, and an evaluation of the program.

"(e) ALLOCATION REQUIREMENT.—The Secretary may not make grants under subsection (a) to any eligible entity in a total amount that is less than $250,000 or more than $2,000,000.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART V—MODELING AND SIMULATION PROGRAMS

"SEC. 891. MODELING AND SIMULATION.

"(a) PURPOSE; DEFINITION.—

"(1) PURPOSE.—The purpose of this section is to promote the study of modeling and simulation at institutions of higher education, through the collaboration with new and existing programs, and specifically to promote the use of technology in such study through the creation of accurate models that can simulate processes or recreate real life, by—

"(A) establishing a task force at the Department of Education to raise awareness of and define the study of modeling and simulation;

"(B) providing grants to institutions of higher education to develop new modeling and simulation degree programs; and

"(C) providing grants for institutions of higher education to enhance existing modeling and simulation degree programs.

"(2) DEFINITION.—In this section, the term 'modeling and simulation' means a field of study related to the application of computer science and mathematics to develop a level of understanding of the interaction of the parts of a system and of a system as a whole.

"(b) ESTABLISHMENT OF TASK FORCE.—

"(1) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall establish a task force within the Department to study modeling and simulation and to support the development of the modeling and simulation field. The activities of such task force shall include—

"(A) helping to define the study of modeling and simulation (including the content of modeling and simulation classes and programs);

"(B) identifying best practices for such study;

"(C) identifying core knowledge and skills that individuals who participate in modeling and simulation programs should acquire; and

"(D) providing recommendations to the Secretary with respect to—

"(i) the information described in subparagraphs (A) through (C); and

"(ii) a system by which grants under this section will be distributed.

"(2) TASK FORCE MEMBERSHIP.—The membership of the task force under this subsection shall be composed of representatives from—

"(A) institutions of higher education with established modeling and simulation degree programs;

"(B) the National Science Foundation;

"(C) Federal Government agencies that use modeling and simulation extensively, including the Department of Defense, the National Institutes of Health, the Department of Homeland Security, the Department of Health and Human Services, the Department of Energy, and the Department of Transportation;

"(D) private industries with a primary focus on modeling and simulation;

"(E) national modeling and simulation organizations; and

"(F) the Office of Science and Technology Policy.

"(c) ENHANCING MODELING AND SIMULATION AT INSTITUTIONS OF HIGHER EDUCATION.—

"(1) ENHANCEMENT GRANTS AUTHORIZED.—

"(A) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible institutions to enhance modeling and simulation degree programs at such eligible institutions.

"(B) DURATION OF GRANT.—A grant awarded under this subsection shall be awarded for a three-year period, and such grant period may be extended for not more than two years if the Secretary determines that an eligible institution has demonstrated success in enhancing the modeling and simulation degree program at such eligible institution.

"(C) MINIMUM GRANT AMOUNT.—Subject to the availability of appropriations, a grant awarded to an eligible institution under this subsection shall not be less than $750,000.

"(D) NON-FEDERAL SHARE.—Each eligible institution receiving a grant under this subsection shall provide, from non-Federal sources, in cash or in-kind, an amount equal to 25 percent of the amount of the grant to carry out

the activities supported by the grant. The Secretary may waive the non-Federal share requirement under this subparagraph for an eligible institution if the Secretary determines a waiver to be appropriate based on the financial ability of the institution.

"(2) ELIGIBLE INSTITUTIONS.—For the purposes of this subsection, an eligible institution is an institution of higher education that—

"(A) has an established modeling and simulation degree program, including a major, minor, or career-track program; or

"(B) has an established modeling and simulation certificate or concentration program.

"(3) APPLICATION.—To be considered for a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

"(A) a letter from the president or provost of the eligible institution that demonstrates the institution's commitment to the enhancement of the modeling and simulation program at the institution of higher education;

"(B) an identification of designated faculty responsible for the enhancement of the institution's modeling and simulation program; and

"(C) a detailed plan for how the grant funds will be used to enhance the modeling and simulation program of the institution.

"(4) USES OF FUNDS.—A grant awarded under this subsection shall be used by an eligible institution to carry out the plan developed in accordance with paragraph (3)(C) to enhance modeling and simulation programs at the institution, which may include—

"(A) in the case of an institution that is eligible under paragraph (2)(B), activities to assist in the establishment of a major, minor, or career-track modeling and simulation program at the eligible institution;

"(B) expanding the multidisciplinary nature of the institution's modeling and simulation programs;

"(C) recruiting students into the field of modeling and simulation through the provision of fellowships or assistantships;

"(D) creating new courses to complement existing courses and reflect emerging developments in the modeling and simulation field;

"(E) conducting research to support new methodologies and techniques in modeling and simulation; and

"(F) purchasing equipment necessary for modeling and simulation programs.

"(d) ESTABLISHING MODELING AND SIMULATION PROGRAMS.—

"(1) ESTABLISHMENT GRANTS AUTHORIZED.—

"(A) IN GENERAL.—The Secretary is authorized to award grants to institutions of higher education to establish a modeling and simulation program, including a major, minor, career-track, certificate, or concentration program.

"(B) DURATION OF GRANT.—A grant awarded under this subsection shall be awarded for a three-year period,

and such grant period may be extended for not more than two years if the Secretary determines that an eligible institution has demonstrated success in establishing a modeling and simulation degree program at such eligible institution.

"(C) MINIMUM GRANT AMOUNT.—Subject to the availability of appropriations, a grant awarded to an eligible institution under this subsection shall not be less than $750,000.

"(D) NON-FEDERAL SHARE.—Each eligible institution receiving a grant under this subsection shall provide, from non-Federal sources, in cash or in-kind, an amount equal to 25 percent of the amount of the grant to carry out the activities supported by the grant. The Secretary may waive the non-Federal share requirement under this subparagraph for an eligible institution if the Secretary determines a waiver to be appropriate based on the financial ability of the institution.

"(2) APPLICATION.—To apply for a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

"(A) a letter from the president or provost of the eligible institution that demonstrates the institution's commitment to the establishment of a modeling and simulation program at the institution of higher education;

"(B) a detailed plan for how the grant funds will be used to establish a modeling and simulation program at the institution; and

"(C) a description of how the modeling and simulation program established under this subsection will complement existing programs and fit into the institution's current program and course offerings.

"(3) USES OF FUNDS.—A grant awarded under this subsection may be used by an eligible institution to—

"(A) establish, or work toward the establishment of, a modeling and simulation program, including a major, minor, career-track, certificate, or concentration program at the eligible institution;

"(B) provide adequate staffing to ensure the successful establishment of the modeling and simulation program, which may include the assignment of full-time dedicated or supportive faculty; and

"(C) purchase equipment necessary for a modeling and simulation program.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years. Of the amounts authorized to be appropriated for each fiscal year—

"(1) $1,000,000 is authorized to carry out the activities of the task force established pursuant to subsection (b); and

"(2) of the amount remaining after the allocation for paragraph (1)—

"(A) 50 percent is authorized to carry out the grant program under subsection (c); and

"(B) 50 percent is authorized to carry out the grant program under subsection (d).

"PART W—PATH TO SUCCESS

"SEC. 892. PATH TO SUCCESS.

"(a) PURPOSE.—The purpose of this section is to encourage community supported programs that—

"(1) leverage and enhance community support for at-risk young adults by facilitating the transition of such young adults who are eligible individuals into productive learning environments where such young adults can obtain the life, social, academic, career, and technical skills and credentials necessary to strengthen the Nation's workforce;

"(2) provide counseling, as appropriate, for eligible individuals participating in the programs to allow the eligible individuals to build a relationship with one or more guidance counselors during the period that the individuals are enrolled in the programs, including providing referrals and connections to community resources that help eligible individuals transition back into the community with the necessary life, social, academic, career, and technical skills after being in detention, or incarcerated, particularly resources related to health, housing, job training, and workplace readiness;

"(3) provide training and education for eligible individuals participating in the programs, to allow such individuals to assist community officials and law enforcement agencies with the deterrence and prevention of gang and youth violence by participating in seminars, training, and workshops throughout the community; and

"(4) provide each eligible individual participating in the programs with individual attention based on a curriculum that matches the interests and abilities of the individual to the resources of the program.

"(b) REENTRY EDUCATION PROGRAM.—

"(1) GRANT PROGRAM ESTABLISHED.—From the amounts appropriated under subsection (g), the Secretary is authorized to award grants to community colleges to enter into and maintain partnerships with juvenile detention centers and secure juvenile justice residential facilities to provide assistance, services, and education to eligible individuals who reenter the community and pursue, in accordance with the requirements of this section, at least one of the following:

"(A) A certificate of completion for a specialized area of study, such as career and technical training and other alternative postsecondary educational programs.

"(B) An associate's degree.

"(2) GRANT PERIOD.—A grant awarded under this part shall be for one four-year period, and may be renewed for an additional period as the Secretary determines to be appropriate.

"(3) APPLICATION.—A community college desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require. Such application shall include—

"(A) an assessment of the existing community resources available to serve at-risk youth;

"(B) a detailed description of the program and activities the community college will carry out with such grant; and

"(C) a proposed budget describing how the community college will use the funds made available by such grant.

"(4) PRIORITY.—In awarding grants under this part, the Secretary shall give priority to community colleges that propose to serve the highest number of priority individuals, and, among such community colleges, shall give priority to community colleges that the Secretary determines will best carry out the purposes of this part, based on the applications submitted in accordance with paragraph (3).

"(c) ALLOWABLE USES OF FUNDS.—A community college awarded a grant under this part may use such grant to—

"(1) pay for tuition and transportation costs of eligible individuals;

"(2) establish and carry out an education program that includes classes for eligible individuals that—

"(A) provide marketable life and social skills to such individuals;

"(B) meet the education program requirements under subsection (d), including as appropriate, courses necessary for the completion of a secondary school diploma or the recognized equivalent;

"(C) promote the civic engagement of such individuals; and

"(D) facilitate a smooth reentry of such individuals into the community;

"(3) create and carry out a mentoring program that is—

"(A) specifically designed to help eligible individuals with the potential challenges of the transitional period from detention to release;

"(B) created in consultation with guidance counselors, academic advisors, law enforcement officials, and other community resources; and

"(C) administered by a program coordinator, selected and employed by the community college, who shall oversee each individual's development and shall serve as the immediate supervisor and reporting officer to whom the academic advisors, guidance counselors, and volunteers shall report regarding the progress of each such individual;

"(4) facilitate employment opportunities for eligible individuals by entering into partnerships with public and private entities to provide opportunities for internships, apprenticeships, and permanent employment, as possible, for such individuals; and

"(5) provide training for eligible individuals participating in the programs, to allow such individuals to assist community officials and law enforcement agencies with the deterrence and prevention of gang and youth violence by participating in seminars and workshop series throughout the community.

"(d) EDUCATION PROGRAM REQUIREMENTS.—An education program established and carried out under subsection (c) shall—

"(1) include classes that are required for completion of a certificate, diploma, or degree described in subparagraph (A) or (B) of subsection (b)(1), including as appropriate courses necessary for the completion of a secondary school diploma or the recognized equivalent;

"(2) provide a variety of academic programs, with various completion requirements, to accommodate the diverse academic backgrounds, learning styles, and academic and career interests of the eligible individuals who participate in the education program;

"(3) offer flexible academic programs that are designed to improve the academic development and achievement of eligible individuals, and to avoid high attrition rates for such individuals; and

"(4) provide for a uniquely designed education plan for each eligible individual participating in the program, which shall require such individual to receive, at a minimum, a certificate or degree described in subparagraph (A) or (B) of subsection (b)(1) to successfully complete such program.

"(e) REPORTS.—Each community college awarded a grant under this part shall submit to the Secretary a report—

"(1) documenting the results of the program carried out with such grant; and

"(2) evaluating the effectiveness of activities carried out through such program.

"(f) DEFINITIONS.—In this section:

"(1) COMMUNITY COLLEGE.—The term 'community college' has the meaning given the term 'junior or community college' in section 312(f).

"(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means an individual who—

"(A) is 16 to 25 years of age (inclusive); and

"(B)(i) has been convicted of a criminal offense; and

"(ii) is detained in, or has been released from, a juvenile detention center or secure juvenile justice residential facility.

"(3) GANG-RELATED OFFENSE.—

"(A) IN GENERAL.—The term 'gang-related offense' means an offense that involves the circumstances described in subparagraph (B) and that is—

"(i) a Federal or State felony involving a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) for which the maximum penalty is not less than five years;

"(ii) a Federal or State crime of violence that has as an element the use or attempted use of physical force against the person of another for which the maximum penalty is not less than six months; or

"(iii) a conspiracy to commit an offense described in clause (i) or (ii).

"(B) CIRCUMSTANCES.—The circumstances described in this subparagraph are that the offense described in subparagraph (A) was committed by a person who—

"(i) participates in a criminal street gang (as defined in section 521(a) of title 18, United States Code) with knowledge that such gang's members engage in or have engaged in a continuing series of offenses described in subparagraph (A); and

"(ii) intends to promote or further the felonious activities of the criminal street gang or maintain or increase the person's position in the gang.

"(4) PRIORITY INDIVIDUAL.—The term 'priority individual' means an individual who—

"(A) is an eligible individual;

"(B) has been convicted of a gang-related offense; and

"(C) has served or is serving a period of detention in a juvenile detention center or secure juvenile justice residential facility for such offense.

"(5) GUIDANCE COUNSELOR.—The term 'guidance counselor' means an individual who works with at-risk youth on a one-on-one basis, to establish a supportive relationship with such at-risk youth and to provide such at-risk youth with academic assistance and exposure to new experiences that enhance their ability to become responsible citizens.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART X—SCHOOL OF VETERINARY MEDICINE COMPETITIVE GRANT PROGRAM

"SEC. 893. SCHOOL OF VETERINARY MEDICINE COMPETITIVE GRANT PROGRAM.

"(a) IN GENERAL.—From the amounts appropriated under subsection (g), the Secretary of Health and Human Services shall award competitive grants to eligible entities for the purpose of improving public health preparedness through increasing the number of veterinarians in the workforce.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a), an entity shall—

"(1) be—

"(A) a public or other nonprofit school of veterinary medicine that is accredited by a nationally recognized accrediting agency or association recognized by the Secretary of Education pursuant to part H of title IV;

"(B) a public or nonprofit, department of comparative medicine, department of veterinary science, school of public health, or school of medicine that is accredited by a nationally recognized accrediting agency or association recognized by the Secretary of Education pursuant to part H of title IV and that offers graduate training for veterinarians in a public health practice area as determined by the Secretary of Health and Human Services; or

"(C) a public or nonprofit entity that—

"(i) conducts recognized residency training programs for veterinarians that are approved by a veterinary specialty organization that is recognized by the American Veterinary Medical Association; and

"(ii) offers postgraduate training for veterinarians in a public health practice area as determined by the Secretary of Health and Human Services; and

"(2) prepare and submit to the Secretary of Health and Human Services an application, at such time, in such manner, and containing such information as the Secretary of Health and Human Services may require.

"(c) CONSIDERATION OF APPLICATIONS.—The Secretary of Health and Human Services shall establish procedures to ensure that

applications under subsection (b)(2) are rigorously reviewed and that grants are competitively awarded based on—

"(1) the ability of the applicant to increase the number of veterinarians who are trained in specified public health practice areas as determined by the Secretary of Health and Human Services;

"(2) the ability of the applicant to increase capacity in research on high priority disease agents; or

"(3) any other consideration the Secretary of Health and Human Services determines necessary.

"(d) PREFERENCE.—In awarding grants under subsection (a), the Secretary of Health and Human Services shall give preference to applicants that demonstrate a comprehensive approach by involving more than one school of veterinary medicine, department of comparative medicine, department of veterinary science, school of public health, school of medicine, or residency training program that offers postgraduate training for veterinarians in a public health practice area as determined by the Secretary of Health and Human Services.

"(e) USE OF FUNDS.—Amounts received under a grant under this section shall be used by a grantee to increase the number of veterinarians in the workforce through paying costs associated with the expansion of academic programs at schools of veterinary medicine, departments of comparative medicine, departments of veterinary science, or entities offering residency training programs, or academic programs that offer postgraduate training for veterinarians or concurrent training for veterinary students in specific areas of specialization, which costs may include minor renovation and improvement in classrooms, libraries, and laboratories.

"(f) DEFINITION OF PUBLIC HEALTH PRACTICE AREA.—In this section, the term 'public health practice area' includes the areas of bioterrorism and emergency preparedness, environmental health, food safety and food security, regulatory medicine, diagnostic laboratory medicine, and biomedical research.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years. Amounts appropriated under this subsection shall remain available until expended.

"PART Y—EARLY FEDERAL PELL GRANT COMMITMENT DEMONSTRATION PROGRAM

"SEC. 894. EARLY FEDERAL PELL GRANT COMMITMENT DEMONSTRATION PROGRAM.

"(a) DEMONSTRATION PROGRAM AUTHORITY.—

"(1) IN GENERAL.—The Secretary is authorized to carry out an Early Federal Pell Grant Commitment Demonstration Program under which—

"(A) the Secretary awards grants to four State educational agencies, in accordance with paragraph (2), to pay the administrative expenses incurred in participating in the demonstration program under this section; and

"(B) the Secretary awards Federal Pell Grants to participating students in accordance with this section and consistent with section 401.

"(2) GRANTS.—

"(A) IN GENERAL.—From amounts appropriated under subsection (h) for a fiscal year, the Secretary is authorized to award grants to four State educational agencies to enable the State educational agencies to pay the administrative expenses incurred in participating in the demonstration program under this section by carrying out a demonstration project under which eighth grade students described in subsection (b)(1)(B) receive a commitment early in the students' academic careers to receive a Federal Pell Grant.

"(B) EQUAL AMOUNTS.—The Secretary shall award grants under this section in equal amounts to each of the four participating State educational agencies.

"(b) DEMONSTRATION PROJECT REQUIREMENTS.—Each of the four demonstration projects assisted under this section shall meet the following requirements:

"(1) PARTICIPANTS.—

"(A) IN GENERAL.—The State educational agency shall make participation in the demonstration project available to two cohorts of students, which shall consist of—

"(i) one cohort of eighth grade students who begin participating in the first academic year for which funds have been appropriated to carry out this section; and

"(ii) one cohort of eighth grade students who begin participating in the academic year succeeding the academic year described in clause (i).

"(B) STUDENTS IN EACH COHORT.—Each cohort of students shall consist of not more than 10,000 eighth grade students who qualify for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) STUDENT DATA.—The State educational agency shall ensure that student data from local educational agencies serving students who participate in the demonstration project, as well as student data from local educational agencies serving a comparable group of students who do not participate in the demonstration project, are available for evaluation of the demonstration project, and are made available in accordance with the requirements of section 444 of the General Education Provisions Act (the Family Educational Rights and Privacy Act of 1974).

"(3) FEDERAL PELL GRANT COMMITMENT.—Each student who participates in the demonstration project receives a commitment from the Secretary to receive a Federal Pell Grant during the first academic year that the student is in attendance at an institution of higher education as an undergraduate, provided that the student applies for Federal financial aid (via the FAFSA or EZ FAFSA) for such academic year.

"(4) APPLICATION PROCESS.—Each State educational agency shall establish an application process to select local educational agencies within the State to participate in the demonstration project in accordance with subsection (d)(2).

"(5) LOCAL EDUCATIONAL AGENCY PARTICIPATION.—Subject to the 10,000 statewide student limitation described in paragraph (1), a local educational agency serving students, not less than 50 percent of whom are eligible for a free or reduced price school lunch under the Richard B. Russell National School

Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), shall be eligible to participate in the demonstration project.

"(c) STATE EDUCATIONAL AGENCY APPLICATIONS.—

"(1) IN GENERAL.—Each State educational agency desiring to participate in the demonstration program under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(2) CONTENTS.—Each application shall include—

"(A) a description of the proposed targeted information campaign for the demonstration project and a copy of the plan described in subsection (f)(2);

"(B) a description of the student population that will receive an early commitment to receive a Federal Pell Grant under this section;

"(C) an assurance that the State educational agency will fully cooperate with the ongoing evaluation of the demonstration project; and

"(D) such other information as the Secretary may require.

"(d) SELECTION CONSIDERATIONS.—

"(1) SELECTION OF STATE EDUCATIONAL AGENCIES.—In selecting State educational agencies to participate in the demonstration program under this section, the Secretary shall consider—

"(A) the number and quality of State educational agency applications received;

"(B) a State educational agency's—

"(i) financial responsibility;

"(ii) administrative capability;

"(iii) commitment to focusing resources, in addition to any resources provided on students who receive assistance under part A of title I of the Elementary and Secondary Education Act of 1965;

"(iv) ability and plans to run an effective and thorough targeted information campaign for students served by local educational agencies eligible to participate in the demonstration project; and

"(v) ability to ensure the participation in the demonstration project of a diverse group of students, including with respect to ethnicity and gender.

"(2) LOCAL EDUCATIONAL AGENCY.—In selecting local educational agencies to participate in a demonstration project under this section, the State educational agency shall consider—

"(A) the number and quality of local educational agency applications received;

"(B) a local educational agency's—

"(i) financial responsibility;

"(ii) administrative capability;

"(iii) commitment to focusing resources on students who receive assistance under part A of title I of the Elementary and Secondary Education Act of 1965;

"(iv) ability and plans to run an effective and thorough targeted information campaign for students served by the local educational agency; and

"(v) ability to ensure the participation in the demonstration project of a diverse group of students.

"(e) EVALUATION.—

"(1) IN GENERAL.—From amounts appropriated under subsection (h) for a fiscal year, the Secretary shall reserve not more than $1,000,000 to award a grant or contract to an organization outside the Department for an independent evaluation of the impact of the demonstration program assisted under this section.

"(2) COMPETITIVE BASIS.—The grant or contract shall be awarded on a competitive basis.

"(3) MATTERS EVALUATED.—The evaluation described in this subsection shall—

"(A) determine the number of students who were encouraged by the demonstration program to pursue higher education;

"(B) identify the barriers to the effectiveness of the demonstration program;

"(C) assess the cost-effectiveness of the demonstration program in improving access to higher education;

"(D) identify the reasons why participants in the demonstration program either received or did not receive a Federal Pell Grant;

"(E) identify intermediate outcomes related to postsecondary education attendance, such as whether participants—

"(i) were more likely to take a college-preparatory curriculum while in secondary school;

"(ii) submitted any applications to institutions of higher education; and

"(iii) took the PSAT, SAT, or ACT;

"(F) identify the number of students participating in the demonstration program who pursued an associate's degree or a bachelor's degree, or other postsecondary education;

"(G) compare the findings of the demonstration program with respect to participants to comparison groups (of similar size and demographics) that did not participate in the demonstration program; and

"(H) identify the impact of the demonstration program on the parents of students eligible to participate in the program.

"(4) DISSEMINATION.—The findings of the evaluation shall be reported to the Secretary, who shall widely disseminate the findings to the public.

"(f) TARGETED INFORMATION CAMPAIGN.—

"(1) IN GENERAL.—Each State educational agency receiving a grant under this section shall, in cooperation with the participating local educational agencies within the State and the Secretary, develop a targeted information campaign for the demonstration project assisted under this section.

"(2) PLAN.—Each State educational agency receiving a grant under this section shall include in the application submitted under subsection (c) a written plan for the State educational agency proposed targeted information campaign. The plan shall include the following:

"(A) OUTREACH.—A description of the outreach to students and the students' families at the beginning and end of each academic year of the demonstration project, at a minimum.

"(B) DISTRIBUTION.—A description of how the State educational agency plans to provide the outreach described in subparagraph (A) and to provide the information described in subparagraph (C).

"(C) INFORMATION.—The annual provision by the State educational agency to all students and families participating in the demonstration project of information regarding—

"(i) the estimated statewide average cost of attendance for an institution of higher education for each academic year, which cost data shall be disaggregated by—

"(I) type of institution, including—

"(aa) two-year public degree-granting institutions of higher education;

"(bb) four-year public degree-granting institutions of higher education; and

"(cc) four-year private degree-granting institutions of higher education;

"(II) component, including—

"(aa) tuition and fees; and

"(bb) room and board;

"(ii) Federal Pell Grants, including—

"(I) the maximum Federal Pell Grant for each award year;

"(II) when and how to apply for a Federal Pell Grant; and

"(III) what the application process for a Federal Pell Grant requires;

"(iii) State-specific postsecondary education savings programs;

"(iv) State merit-based financial aid;

"(v) State need-based financial aid; and

"(vi) Federal financial aid available to students, including eligibility criteria for such aid and an explanation of the Federal financial aid programs under title IV, such as the Student Guide published by the Department (or any successor to such document).

"(3) COHORTS.—The information described in paragraph (2)(C) shall be provided annually to the two successive cohorts of students described in subsection (b)(1)(A) for the duration of the students' participation in the demonstration project.

"(4) RESERVATION.—Each State educational agency receiving a grant under this section shall reserve not more than 15 percent of the grant funds received each fiscal year to carry out the targeted information campaign described in this subsection.

"(g) SUPPLEMENT, NOT SUPPLANT.—A State educational agency shall use grant funds received under this section only to supplement the funds that would, in the absence of such grant funds, be made available from non-Federal sources for students participating in the demonstration project under this section, and not to supplant such funds.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART Z—HENRY KUUALOHA GIUGNI KUPUNA MEMORIAL ARCHIVES

"SEC. 895. HENRY KUUALOHA GIUGNI KUPUNA MEMORIAL ARCHIVES.

"(a) GRANTS AUTHORIZED.—From the amounts appropriated under subsection (c), the Secretary is authorized to award a grant to the University of Hawaii Academy for Creative Media for the establishment, maintenance, and periodic modernization of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii.

"(b) USE OF FUNDS.—The Henry Kuualoha Giugni Kupuna Memorial Archives shall use the grant funds received under this section—

"(1) to facilitate the acquisition of a secure web-accessible repository of Native Hawaiian historical data rich in ethnic and cultural significance to the United States for preservation and access by future generations;

"(2) to award scholarships to facilitate access to postsecondary education for students who cannot afford such education;

"(3) to support programmatic efforts associated with the web-based media projects of the archives;

"(4) to create educational materials, from the contents of the archives, that are applicable to a broad range of indigenous students, such as Native Hawaiians, Alaskan Natives, and Native American Indians;

"(5) to develop outreach initiatives that introduce the archival collections to elementary schools and secondary schools;

"(6) to develop supplemental web-based resources that define terms and cultural practices innate to Native Hawaiians;

"(7) to rent, lease, purchase, maintain, or repair educational facilities to house the archival collections;

"(8) to rent, lease, purchase, maintain, or repair computer equipment for use by elementary schools and secondary schools in accessing the archival collections;

"(9) to provide preservice and in-service teacher training to develop a core group of kindergarten through grade 12 teachers who are able to provide instruction in a way that is relevant to the unique background of indigenous students, such as Native Hawaiians, Alaskan Natives, and Native American Indians, in order to—

"(A) facilitate greater understanding by teachers of the unique background of indigenous students; and

"(B) improve student achievement; and

"(10) to increase the economic and financial literacy of postsecondary education students through the dissemination of best practices used at other institutions of higher education regarding debt and credit management and economic decision-making.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may

be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

"PART AA—MASTERS AND POSTBACCALAUREATE PROGRAMS

"SEC. 897. MASTERS DEGREE PROGRAMS.

"In addition to any amounts appropriated under section 725, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise appropriated, $11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years to carry out subpart 4 of part A of title VII in order to provide grants under sections 723 and 724, in the minimum amount authorized under such sections, to all institutions eligible for grants under such sections.

"SEC. 898. POSTBACCALAUREATE PROGRAMS.

"In addition to any amounts appropriated under part B of title V, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise appropriated, $11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years to carry out part B of title V.".

SEC. 802. NATIONAL CENTER FOR RESEARCH IN ADVANCED INFORMATION AND DIGITAL TECHNOLOGIES.

(a) ESTABLISHMENT.—There shall be established, during the first fiscal year for which appropriations are made available under subsection (c), a nonprofit corporation to be known as the National Center for Research in Advanced Information and Digital Technologies, which shall not be an agency or establishment of the Federal Government. The Center shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia Nonprofit Corporation Act (sec. 29–501 et seq., D.C. Official Code).

(b) PURPOSE.—The purpose of the Center shall be to support a comprehensive research and development program to harness the increasing capacity of advanced information and digital technologies to improve all levels of learning and education, formal and informal, in order to provide Americans with the knowledge and skills needed to compete in the global economy.

(c) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Center such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

(2) ADDITIONAL FUNDS.—The Center is authorized—

(A) to accept funds from any Federal agency or entity;

(B) to accept, hold, administer, and spend any gift, devise, or bequest of real or personal property made to the Center; and

(C) to enter into competitive contracts with individuals, public or private organizations, professional societies, and government agencies for the purpose of carrying out the functions of the Center.

(3) PROHIBITION.—The Center shall not accept gifts, devises, or bequests from a foreign government or foreign source.

(d) BOARD OF DIRECTORS; VACANCIES; COMPENSATION.—

(1) IN GENERAL.—A Board of the Center shall be established to oversee the administration of the Center.

(2) INITIAL COMPOSITION.—The initial Board shall consist of nine members to be appointed by the Secretary of Education from recommendations received from the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the majority leader of the Senate, and the minority leader of the Senate, who—

(A) reflect representation from the public and private sectors;

(B) shall provide, as nearly as practicable, a broad representation of various regions of the United States, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Center;

(C) shall not be in a position to benefit financially directly from the contracts and grants to eligible institutions under subsection (f)(2); and

(D) may not be officers or employees of the Federal Government or a Members of Congress serving at the time of such appointment.

(3) VACANCIES AND SUBSEQUENT APPOINTMENTS.—To the extent not inconsistent with paragraph (2), in the case of a vacancy on the Board due to death, resignation, or removal, the vacancy shall be filled through nomination and selection by the sitting members of the Board after—

(A) taking into consideration the composition of the Board; and

(B) soliciting recommendations from the public.

(4) COMPENSATION.—Members of the Board shall serve without compensation but may be reimbursed for reasonable expenses for transportation, lodging, and other expenses directly related to their duties as members of the Board.

(5) ORGANIZATION AND OPERATION.—The Board shall incorporate and operate the Center in accordance with the laws governing tax exempt organizations in the District of Columbia.

(e) DIRECTOR AND STAFF.—

(1) DIRECTOR.—The Board shall appoint a Director of the Center after conducting a national, competitive search to find an individual with the appropriate expertise, experience, and knowledge to oversee the operations of the Center.

(2) STAFF.—In accordance with procedures established by the Board, the Director shall employ individuals to carry out the functions of the Center.

(3) COMPENSATION.—In no case shall the Director or any employee of the Center receive annual compensation that exceeds an amount equal to the annual rate payable for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(f) CENTER ACTIVITIES.—

(1) USES OF FUNDS.—The Director, after consultation with the Board, shall use the funds made available to the Center—

(A) to support research to improve education, teaching, and learning that is in the public interest, but that is determined unlikely to be undertaken entirely with private funds;

(B) to support—

(i) precompetitive research, development, and demonstrations;

(ii) assessments of prototypes of innovative digital learning and information technologies, as well as the components and tools needed to create such technologies; and

(iii) pilot testing and evaluation of prototype systems described in clause (ii); and

(C) to encourage the widespread adoption and use of effective, innovative digital approaches to improving education, teaching, and learning.

(2) CONTRACTS AND GRANTS.—

(A) IN GENERAL.—To carry out the activities described in paragraph (1), the Director, with the agreement of two-thirds of the members of the Board, may award, on a competitive basis, contracts and grants to four-year institutions of higher education, museums, libraries, nonprofit organizations, public institutions with or without for-profit partners, for-profit organizations, and consortia of any such entities.

(B) PUBLIC DOMAIN.—

(i) IN GENERAL.—The research and development properties and materials associated with any project funded by a grant or contract under this section shall be freely and nonexclusively available to the general public in a timely manner, consistent with regulations prescribed by the Secretary of Education.

(ii) EXEMPTION.—The Director may waive the requirements of clause (i) with respect to a project funded by a grant or contract under this section if—

(I) the Director and the Board (by a unanimous vote of the Board members) determine that the general public will benefit significantly due to the project not being freely and nonexclusively available to the general public in a timely manner; and

(II) the Board issues a public statement as to the specific reasons of the determination under subclause (I).

(C) PEER REVIEW.—Proposals for grants or contracts shall be evaluated on the basis of comparative merit by panels of experts who represent diverse interests and perspectives, and who are appointed by the Director based on recommendations from the fields served and from the Board.

(g) ACCOUNTABILITY AND REPORTING.—

(1) REPORT.—

(A) IN GENERAL.—Not later than December 30 of each year beginning in fiscal year 2009, the Director shall prepare and submit to the Secretary of Education and the authorizing committees a report that contains the information described in subparagraph (B) with respect to the preceding fiscal year.

(B) CONTENTS.—A report under subparagraph (A) shall include—

(i) a comprehensive and detailed report of the Center's operations, activities, financial condition, and accomplishments, and such recommendations as the Director determines appropriate;

(ii) evidence of coordination with the Department of Education, the National Science Foundation, Office of the Director of Defense Research and Engineering in the Department of Defense, and other related Federal agencies to carry out the operations and activities of the Center;

(iii) a comprehensive and detailed inventory of funds distributed from the Center during the fiscal year for which the report is being prepared; and

(iv) an independent audit of the Center's finances and operations, and of the implementation of the goals established by the Board.

(C) STATEMENT OF THE BOARD.—Each report under subparagraph (A) shall include a statement from the Board containing—

(i) a clear description of the plans and priorities of the Board for the subsequent year for activities of the Center; and

(ii) an estimate of the funds that will be expended by the Center for such year.

(2) TESTIMONY.—The Director and principal officers of the Center shall testify before the authorizing committees and the Committees on Appropriations of the House of Representatives and the Senate, upon request of such committees, with respect to—

(A) any report required under paragraph (1)(A); and

(B) any other matter that such committees may determine appropriate.

(h) USE OF FUNDS SUBJECT TO APPROPRIATIONS.—The authority to award grants, enter into contracts, or otherwise expend funds under this section is subject to the availability of amounts deposited into the Center under subsection (c), or amounts otherwise appropriated for such purposes by an Act of Congress.

(i) DEFINITIONS.—For purposes of this section:

(1) AUTHORIZING COMMITTEES.—The term "authorizing committees" has the meaning given the term in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003).

(2) BOARD.—The term "Board" means the Board of the Center appointed under subsection (d)(1).

(3) CENTER.—The term "Center" means the National Center for Research in Advanced Information and Digital Technologies established under subsection (a).

(4) DIRECTOR.—The term "Director" means the Director of the Center appointed under subsection (e)(1).

SEC. 803. ESTABLISHMENT OF PILOT PROGRAM FOR COURSE MATERIAL RENTAL.

(a) PILOT GRANT PROGRAM.—From the amounts appropriated pursuant to subsection (e), the Secretary of Education (referred to in this section as the "Secretary") shall make grants on a competitive basis to not more than ten institutions of higher education to support pilot programs that expand the services of bookstores

to provide the option for students to rent course materials in order to achieve savings for students.

(b) APPLICATION.—An institution of higher education that desires to obtain a grant under this section shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information, agreements, and assurances as the Secretary may reasonably require.

(c) USE OF FUNDS.—The funds made available by a grant under this section may be used for—

(1) purchase of course materials that the entity will make available by rent to students;

(2) any equipment or software necessary for the conduct of a rental program;

(3) hiring staff needed for the conduct of a rental program, with priority given to hiring enrolled undergraduate students; and

(4) building or acquiring extra storage space dedicated to course materials for rent.

(d) EVALUATION AND REPORT.—

(1) EVALUATIONS BY RECIPIENTS.—After a period of time to be determined by the Secretary, each institution of higher education that receives a grant under this section shall submit a report to the Secretary on the effectiveness of their rental programs in reducing textbook costs for students.

(2) REPORT TO CONGRESS.—Not later than September 30, 2010, the Secretary shall submit a report to Congress on the effectiveness of the textbook rental pilot programs under this section, and identify the best practices developed in such pilot programs. Such report shall contain an estimate by the Secretary of the savings achieved by students who participate in such pilot programs.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years 2009 and 2010.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

SEC. 901. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

Section 104 of the Education of the Deaf Act of 1986 (20 U.S.C. 4304) is amended—

(1) by striking the section heading and inserting "**LAURENT CLERC NATIONAL DEAF EDUCATION CENTER**";

(2) in subsection (a)(1)(A), by inserting "the Laurent Clerc National Deaf Education Center (referred to in this section as the 'Clerc Center') to carry out" after "maintain and operate"; and

(3) in subsection (b)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "elementary and secondary education programs" and inserting "Clerc Center";

(B) in paragraph (2)—

(i) by striking "elementary and secondary education programs" and inserting "Clerc Center"; and

(ii) by striking "section 618(a)(1)(A)" and inserting "section 618(a)(1)";

(C) in paragraph (4), in subparagraph (C)—

(i) by moving the margins 2 ems to the left;

(ii) in clause (i), by striking "(6)" and inserting "(8)"; and

(iii) in clause (vi), by striking "(m)" and inserting "(o)"; and

(D) by adding at the end the following:

"(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

"(A)(i) select challenging academic content standards, challenging student academic achievement standards, and academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (3) of section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1) and (3)) and approved by the Secretary; and

"(ii) implement such standards and assessments for such programs by not later than the beginning of the 2009–2010 academic year;

"(B) annually determine whether such programs at the Clerc Center are making adequate yearly progress, as determined according to the definition of adequate yearly progress defined (pursuant to section 1111(b)(2)(C) of such Act (20 U.S.C. 6311(b)(2)(C))) by the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i); and

"(C) publicly report the results of the academic assessments implemented under subparagraph (A), except where such reporting would not yield statistically reliable information or would reveal personally identifiable information about an individual student, and whether the programs at the Clerc Center are making adequate yearly progress, as determined under subparagraph (B).".

SEC. 902. AGREEMENT WITH GALLAUDET UNIVERSITY.

Section 105(b)(4) of the Education of the Deaf Act of 1986 (20 U.S.C. 4305(b)(4)) is amended—

(1) by striking "the Act of March 3, 1931 (40 U.S.C. 276a–276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and

(2) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

SEC. 903. AGREEMENT FOR THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 112 of the Education of the Deaf Act of 1986 (20 U.S.C. 4332) is amended—

(1) in subsection (a)(1), by striking the second sentence; and

(2) in subsection (b)—

(A) in paragraph (3), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate"; and

(B) in paragraph (5)—

(i) by striking "the Act of March 3, 1931 (40 U.S.C. 276a—276a–5) commonly referred to as the Davis-Bacon Act" and inserting "subchapter IV of chapter 31 of title 40, United States Code, commonly referred to as the Davis-Bacon Act"; and

(ii) by striking "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)" and inserting "section 3145 of title 40, United States Code".

SEC. 904. CULTURAL EXPERIENCES GRANTS.

(a) CULTURAL EXPERIENCES GRANTS.—Title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end the following:

"PART C—OTHER PROGRAMS

"SEC. 121. CULTURAL EXPERIENCES GRANTS.

"(a) IN GENERAL.—The Secretary is authorized to, on a competitive basis, make grants to, and enter into contracts and cooperative agreements with, eligible entities to support the activities described in subsection (b).

"(b) ACTIVITIES.—In carrying out this section, the Secretary shall support activities providing cultural experiences, through appropriate nonprofit organizations with a demonstrated proficiency in providing such activities, that—

"(1) enrich the lives of deaf and hard-of-hearing children and adults;

"(2) increase public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf and hard-of-hearing persons; or

"(3) promote the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences.

"(c) APPLICATIONS.—An eligible entity that desires to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.".

(b) CONFORMING AMENDMENT.—The title heading of title I of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) is amended by adding at the end the following: "; OTHER PROGRAMS".

SEC. 905. AUDIT.

Section 203 of the Education of the Deaf Act of 1986 (20 U.S.C. 4353) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking "sections" and all that follows through the period and inserting "sections

102(b), 105(b)(4), 112(b)(5), 203(c), 207(b)(2), subsections (c) through (f) of section 207, and subsections (b) and (c) of section 209."; and

(B) in paragraph (3), by inserting "and the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate" after "Secretary"; and

(2) in subsection (c)(2)(A), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 906. REPORTS.

Section 204 of the Education of the Deaf Act of 1986 (20 U.S.C. 4354) is amended—

(1) in the matter preceding paragraph (1), by striking "Committee on Labor and Human Resources of the Senate" and inserting "Committee on Health, Education, Labor, and Pensions of the Senate";

(2) in paragraph (1), by striking "preparatory,";

(3) in paragraph (2)(C), by striking "upon graduation/completion" and inserting "on the date that is one year after the date of graduation or completion"; and

(4) in paragraph (3)(B), by striking "of the institution of higher education" and all that follows through "section 203" and inserting "of NTID programs and activities".

SEC. 907. MONITORING, EVALUATION, AND REPORTING.

Section 205 of the Education of the Deaf Act of 1986 (20 U.S.C. 4355) is amended—

(1) in the first sentence of subsection (a), by striking "preparatory,";

(2) in subsection (b), by striking "The Secretary, as part of the annual report required under section 426 of the Department of Education Organization Act, shall include a description of" and inserting "The Secretary shall annually transmit information to Congress on"; and

(3) in subsection (c), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2009 through 2014".

SEC. 908. LIAISON FOR EDUCATIONAL PROGRAMS.

Section 206(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4356(a)) is amended by striking "Not later than 30 days after the date of enactment of this Act, the" and inserting "The".

SEC. 909. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 207(h) of the Education of the Deaf Act of 1986 (20 U.S.C. 4357(h)) is amended by striking "fiscal years 1998 through 2003" both places it appears and inserting "fiscal years 2009 through 2014".

SEC. 910. OVERSIGHT AND EFFECT OF AGREEMENTS.

Section 208(a) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359(a)) is amended by striking "Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives" and inserting "Committee on Education and Labor of the House of Representatives

and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 911. INTERNATIONAL STUDENTS.

Section 209 of the Education of the Deaf Act of 1986 (20 U.S.C. 4359a) is amended—

(1) in subsection (a)—

(A) by striking "preparatory, undergraduate," and inserting "undergraduate";

(B) by striking "Effective with" and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), effective with"; and

(C) by adding at the end the following:

"(2) DISTANCE LEARNING.—International students who participate in distance learning courses that are at the University or the NTID, who are residing outside of the United States, and are not enrolled in a degree program at the University or the NTID shall—

"(A) not be counted as international students for purposes of the cap on international students under paragraph (1), except that in any school year no United States citizen who applies to participate in distance learning courses that are at the University or NTID shall be denied participation in such courses because of the participation of an international student in such courses; and

"(B) not be charged a tuition surcharge, as described in subsection (b).."; and

(2) by striking subsections (b), (c), and (d), and inserting the following:

"(b) TUITION SURCHARGE.—Except as provided in subsections (a)(2)(B) and (c), the tuition for postsecondary international students enrolled in the University (including undergraduate and graduate students) or NTID shall include, for academic year 2009–2010 and any succeeding academic year, a surcharge of—

"(1) 100 percent for a postsecondary international student from a non-developing country; and

"(2) 50 percent for a postsecondary international student from a developing country, or a country that was a developing country for any academic year during the student's period of uninterrupted enrollment in a degree program at the University or NTID, except that such a surcharge shall not be adjusted retroactively.

"(c) REDUCTION OF SURCHARGE.—

"(1) IN GENERAL.—Beginning with the academic year 2009–2010, the University or NTID may reduce the surcharge—

"(A) under subsection (b)(1) from 100 percent to not less than 50 percent if—

"(i) a student described under subsection (b)(1) demonstrates need; and

"(ii) such student has made a good-faith effort to secure aid through such student's government or other sources; and

"(B) under subsection (b)(2) from 50 percent to not less than 25 percent if—

"(i) a student described under subsection (b)(2) demonstrates need; and

"(ii) such student has made a good faith effort to secure aid through such student's government or other sources.

"(2) DEVELOPMENT OF SLIDING SCALE.—The University and NTID shall develop a sliding scale model that—

"(A) will be used to determine the amount of a tuition surcharge reduction pursuant to paragraph (1); and

"(B) shall be approved by the Secretary.

"(d) DEFINITION.—In this section, the term 'developing country' means a country with a per-capita income of not more than $5,345, measured in 2005 United States dollars, as adjusted by the Secretary to reflect inflation since 2005.".

SEC. 912. RESEARCH PRIORITIES.

Section 210(b) of the Education of the Deaf Act of 1986 (20 U.S.C. 4359b(b)) is amended by striking "Committee on Education and the Workforce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate" and inserting "Committee on Education and Labor of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate".

SEC. 913. NATIONAL STUDY ON THE EDUCATION OF THE DEAF.

(a) CONDUCT OF STUDY.—Subsection (a)(1) of section 211 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360) is amended by inserting after "The Secretary shall" the following: "establish a commission on the education of the deaf (in this section referred to as the 'commission') to".

(b) PUBLIC INPUT AND CONSULTATION.—Subsection (b) of such section is amended by striking "Secretary" each place the term appears and inserting "commission".

(c) REPORT.—Subsection (c) of such section is amended—

(1) in the matter preceding paragraph (1), by striking "Secretary" and all that follows through "1998" and inserting "commission shall report to the Secretary and Congress not later than 18 months after the date of the enactment of the Higher Education Opportunity Act"; and

(2) in paragraph (1)—

(A) by striking "recommendations," and inserting "recommendations relating to educated-related factors that contribute to successful postsecondary education experiences and employment for individuals who are deaf,"; and

(B) by striking "Secretary" and inserting "commission".

(d) AUTHORIZATION OF APPROPRIATIONS.—Subsection (d) of such section is amended by striking "$1,000,000 for each of the fiscal years 1999 and 2000" and inserting "such sums as may be necessary for each of the fiscal years 2009 and 2010".

SEC. 914. AUTHORIZATION OF APPROPRIATIONS.

Section 212 of the Education of the Deaf Act of 1986 (20 U.S.C. 4360a) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2009 through 2014"; and

(2) in subsection (b), by striking "fiscal years 1998 through 2003" and inserting "fiscal years 2009 through 2014".

PART B—UNITED STATES INSTITUTE OF PEACE ACT

SEC. 921. UNITED STATES INSTITUTE OF PEACE ACT.

(a) POWERS AND DUTIES.—Section 1705(b)(3) of the United States Institute of Peace Act (22 U.S.C. 4604(b)(3)) is amended by striking "the Arms Control and Disarmament Agency,".

(b) BOARD OF DIRECTORS.—

(1) AMENDMENTS.—Section 1706 of the United States Institute of Peace Act (22 U.S.C. 4605) is amended—

(A) by striking "(b)(5)" each place the term appears and inserting "(b)(4)"; and

(B) in subsection (e), by adding at the end the following:

"(5) The term of a member of the Board shall not commence until the member is confirmed by the Senate and sworn in as a member of the Board.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if enacted on June 1, 2007, and shall apply to any member of the Board of Directors of the Institute of Peace confirmed by the Senate and sworn in as a member of the Board of Directors on or after such date.

(c) FUNDING.—Section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609) is amended—

(1) in subsection (a)(1), by striking "to be appropriated" and all that follows through the period at the end and inserting "to be appropriated such sums as may be necessary for fiscal years 2009 through 2014."; and

(2) by adding at the end the following:

"(d) EXTENSION.—Any authorization of appropriations made for the purposes of carrying out this title shall be extended in the same manner as applicable programs are extended under section 422 of the General Education Provisions Act.".

PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998; THE HIGHER EDUCATION AMENDMENTS OF 1992

SEC. 931. REPEALS.

The following provisions of title VIII of the Higher Education Amendments of 1998 (Public Law 105–244) are repealed:

(1) Part A.
(2) Part C (20 U.S.C. 1070 note).
(3) Part F (20 U.S.C. 1862 note).
(4) Part J.
(5) Section 861.
(6) Section 863.

SEC. 932. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED INDIVIDUALS.

Section 821 of the Higher Education Amendments of 1998 (20 U.S.C. 1151) is amended to read as follows:

"SEC. 821. GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED INDIVIDUALS.

"(a) DEFINITION.—In this section, the term 'incarcerated individual' means a male or female offender who is—

"(1) 35 years of age or younger; and

"(2) incarcerated in a State prison, including a prerelease facility.

"(b) GRANT PROGRAM.—The Secretary of Education (in this section referred to as the 'Secretary')—

"(1) shall establish a program in accordance with this section to provide grants to the State correctional education agencies in the States to assist and encourage incarcerated individuals who have obtained a secondary school diploma or its recognized equivalent to acquire educational and job skills through—

"(A) coursework to prepare such individuals to pursue a postsecondary education certificate, an associate's degree, or bachelor's degree while in prison;

"(B) the pursuit of a postsecondary education certificate, an associate's degree, or bachelor's degree while in prison; and

"(C) employment counseling and other related services, which start during incarceration and end not later than two years after release from incarceration; and

"(2) may establish such performance objectives and reporting requirements for State correctional education agencies receiving grants under this section as the Secretary determines are necessary to assess the effectiveness of the program under this section.

"(c) APPLICATION.—To be eligible for a grant under this section, a State correctional education agency shall submit to the Secretary a proposal for an incarcerated individual program that—

"(1) identifies the scope of the problem, including the number of incarcerated individuals in need of postsecondary education and career and technical training;

"(2) lists the accredited public or private educational institution or institutions that will provide postsecondary educational services;

"(3) lists the cooperating agencies, public and private, or businesses that will provide related services, such as counseling in the areas of career development, substance abuse, health, and parenting skills;

"(4) describes specific performance objectives and evaluation methods (in addition to, and consistent with, any objectives established by the Secretary under subsection (b)(2)) that the State correctional education agency will use in carrying out its proposal, including—

"(A) specific and quantified student outcome measures that are referenced to outcomes for non-program participants with similar demographic characteristics; and

"(B) measures, consistent with the data elements and definitions described in subsection (d)(1)(A), of—

"(i) program completion, including an explicit definition of what constitutes a program completion within the proposal;

"(ii) knowledge and skill attainment, including specification of instruments that will measure knowledge and skill attainment;

"(iii) attainment of employment both prior to and subsequent to release;

"(iv) success in employment indicated by job retention and advancement; and

"(v) recidivism, including such subindicators as time before subsequent offense and severity of offense;

"(5) describes how the proposed program is to be integrated with existing State correctional education programs (such as adult education, graduate education degree programs, and career and technical training) and State industry programs;

"(6) describes how the proposed program will—

"(A) deliver services under this section; and

"(B) utilize technology to deliver such services; and

"(7) describes how incarcerated individuals will be selected so that only those eligible under subsection (e) will be enrolled in postsecondary programs.

"(d) PROGRAM REQUIREMENTS.—Each State correctional education agency receiving a grant under this section shall—

"(1) annually report to the Secretary regarding—

"(A) the results of the evaluations conducted using data elements and definitions provided by the Secretary for the use of State correctional education programs;

"(B) any objectives or requirements established by the Secretary pursuant to subsection (b)(2);

"(C) the additional performance objectives and evaluation methods contained in the proposal described in subsection (c)(4) as necessary to document the attainment of project performance objectives;

"(D) how the funds provided under this section are being allocated among postsecondary preparatory education, postsecondary academic programs, and career and technical education programs; and

"(E) the service delivery methods being used for each course offering; and

"(2) provide for each student eligible under subsection (e) not more than—

"(A) $3,000 annually for tuition, books, and essential materials; and

"(B) $300 annually for related services such as career development, substance abuse counseling, parenting skills training, and health education.

"(e) STUDENT ELIGIBILITY.—An incarcerated individual who has obtained a secondary school diploma or its recognized equivalent shall be eligible for participation in a program receiving a grant under this section if such individual—

"(1) is eligible to be released within seven years (including an incarcerated individual who is eligible for parole within such time);

"(2) is 35 years of age or younger; and

"(3) has not been convicted of—

"(A) a 'criminal offense against a victim who is a minor' or a 'sexually violent offense', as such terms are defined in the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act (42 U.S.C. 14071 et seq.); or

"(B) murder, as described in section 1111 of title 18, United States Code.

"(f) LENGTH OF PARTICIPATION.—A State correctional education agency receiving a grant under this section shall provide educational

and related services to each participating incarcerated individual for a period not to exceed seven years, not more than two years of which may be devoted to study in a graduate education degree program or to coursework to prepare such individuals to take college level courses. Educational and related services shall start during the period of incarceration in prison or prerelease, and the related services may continue for not more than two years after release from confinement.

"(g) EDUCATION DELIVERY SYSTEMS.—State correctional education agencies and cooperating institutions shall, to the extent practicable, use high-tech applications in developing programs to meet the requirements and goals of this section.

"(h) ALLOCATION OF FUNDS.—From the funds appropriated pursuant to subsection (i) for each fiscal year, the Secretary shall allot to each State an amount that bears the same relationship to such funds as the total number of students eligible under subsection (e) in such State bears to the total number of such students in all States.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years 2009 through 2014.".

SEC. 933. UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

Section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153) is amended—

(1) in subsection (a), by inserting ", including the lessons to be drawn from such history" after "Railroad";

(2) in subsection (b)—

(A) by striking paragraphs (1) and (2) and inserting the following:

"(1) to establish a facility to—

"(A) house, display, interpret, and communicate information regarding the artifacts and other materials related to the history of the Underground Railroad, including the lessons to be drawn from such history;

"(B) maintain such artifacts and materials; and

"(C) make the efforts described in subparagraph (A) available, including through electronic means, to elementary and secondary schools, institutions of higher education, and the general public;

"(2) to demonstrate substantial public and private support for the operation of the facility through the implementation of a public-private partnership between one or more State or local public entities and one or more private entities, which public-private partnership shall provide matching funds from non-federal sources for the support of the facility in an amount equal to or greater than four times the amount of the grant awarded under this section;";

(B) in paragraph (4)—

(i) by inserting "and maintain" after "establish"; and

(ii) by inserting "including the lessons to be drawn from the history of the Underground Railroad," after "States,"; and

(C) in paragraph (5)—

(i) by inserting "and maintain" after "establish"; and

(ii) by inserting ", including the lessons to be drawn from such history" after "Railroad"; and

(3) in subsection (c), by striking "this section" and all that follows through the period at the end and inserting "$3,000,000 for fiscal year 2009 and each of the five succeeding fiscal years.".

SEC. 934. OLYMPIC SCHOLARSHIPS.

Section 1543(d) of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is amended—

(1) by striking "1999" and inserting "2009"; and

(2) by striking "4" and inserting "five".

SEC. 935. ESTABLISHMENT OF A DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL AND FOREIGN LANGUAGE EDUCATION.

Section 205 of the Department of Education Organization Act (20 U.S.C. 3415) is amended to read as follows:

"OFFICE OF POSTSECONDARY EDUCATION

"SEC. 205. (a) There shall be in the Department an Office of Postsecondary Education, to be administered by the Assistant Secretary for Postsecondary Education appointed under section 202(b). The Assistant Secretary shall administer such functions affecting postsecondary education, both public and private, as the Secretary shall delegate, and shall serve as the principal adviser to the Secretary on matters affecting postsecondary education.

"(b) The Assistant Secretary for Postsecondary Education shall appoint a Deputy Assistant Secretary for International and Foreign Language Education to perform such functions affecting postsecondary, international, and foreign language education as the Secretary may prescribe. The Deputy Assistant Secretary for International and Foreign Language Education shall—

"(1) be an individual with extensive background and experience in international and foreign language education;

"(2) have responsibility for encouraging and promoting the study of foreign languages and the study of the cultures of other countries at the elementary, secondary, and postsecondary levels in the United States; and

"(3) coordinate with related international and foreign language education programs of other Federal agencies.".

PART D—TRIBAL COLLEGE AND UNIVERSITIES; NAVAJO HIGHER EDUCATION

Subpart 1—Tribal Colleges and Universities

SEC. 941. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ASSISTANCE ACT OF 1978.

(a) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking "in the field of Indian education" and inserting "in the fields of tribally controlled colleges and universities and Indian higher education".

(b) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following:

"(7) 'Indian student' means a student who is—

"(A) a member of an Indian tribe; or

"(B) a biological child of a member of an Indian tribe, living or deceased;".

(c) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(b)) is amended—

(1) in the matter preceding paragraph (1), by striking "paragraph (7) of subsection (a)" and inserting "subsection (a)(8)";

(2) by striking paragraph (5) and inserting the following:

"(5) Eligible credits earned in a continuing education program—

"(A) shall be determined as one credit for every ten contact hours in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on a semester system, of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction, as described in the criteria established by the International Association for Continuing Education and Training; and

"(B) shall be limited to ten percent of the Indian student count of a tribally controlled college or university."; and

(3) by striking paragraph (6).

(d) ACCREDITATION REQUIREMENT.—Section 103 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1804) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by inserting after paragraph (3), the following:

"(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority with regard to the quality of training offered; or

"(B) according to such an agency or association, is making reasonable progress toward accreditation.".

(e) TECHNICAL ASSISTANCE CONTRACTS.—Section 105 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1805) is amended—

(1) by striking the section designation and heading and all that follows through "The Secretary shall" and inserting the following:

"SEC. 105. TECHNICAL ASSISTANCE CONTRACTS.

"(a) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall";

(2) in the second sentence, by striking "In the awarding of contracts for technical assistance, preference shall be given" and inserting the following:

"(2) DESIGNATED ORGANIZATION.—The Secretary shall require that a contract for technical assistance under paragraph (1) shall be awarded"; and

(3) in the third sentence, by striking "No authority" and inserting the following:

"(b) EFFECT OF SECTION.—No authority".

(f) AMOUNT OF GRANTS.—Section 108(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1808(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting the subparagraphs appropriately;

(2) by striking "(a) Except as provided in section 111," and inserting the following:

"(a) REQUIREMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and section 111,";

(3) in paragraph (1) (as redesignated by paragraphs (1) and (2))—

(A) in the matter preceding subparagraph (A) (as redesignated by paragraph (1))—

(i) by striking "him" and inserting "the Secretary"; and

(ii) by striking "product of" and inserting "product obtained by multiplying";

(B) in subparagraph (A) (as redesignated by paragraph (1)), by striking "section 2(a)(7)" and inserting "section 2(a)(8)"; and

(C) in subparagraph (B) (as redesignated by paragraph (1)), by striking "$6,000," and inserting "$8,000, as adjusted annually for inflation."; and

(4) by striking "except that no grant shall exceed the total cost of the education program provided by such college or university." and inserting the following:

"(2) EXCEPTION.—The amount of a grant under paragraph (1) shall not exceed an amount equal to the total cost of the education program provided by the applicable tribally controlled college or university.".

(g) GENERAL PROVISIONS REAUTHORIZATION.—Section 110(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

(1) in paragraphs (1), (2), (3), and (4), by striking "1999" and inserting "2009";

(2) in paragraphs (1), (2), and (3), by striking "4 succeeding" and inserting "five succeeding";

(3) in paragraph (2), by striking "$40,000,000" and inserting "such sums as may be necessary";

(4) in paragraph (3), by striking "$10,000,000" and inserting "such sums as may be necessary"; and

(5) in paragraph (4), by striking "succeeding 4" and inserting "five succeeding".

(h) ENDOWMENT PROGRAM REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—

(1) by striking "1999" and inserting "2009"; and

(2) by striking "4 succeeding" and inserting "five succeeding".

(i) TRIBAL ECONOMIC DEVELOPMENT REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—

(1) by striking "$2,000,000 for fiscal year 1999" and inserting "such sums as may be necessary for fiscal year 2009"; and

(2) by striking "4 succeeding" and inserting "five succeeding".

(j) TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.—

(1) IN GENERAL.—The Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) is amended by adding at the end the following:

"TITLE V—TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS

"SEC. 501. DEFINITION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTION.

"In this title, the term 'tribally controlled postsecondary career and technical institution' has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

"SEC. 502. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS PROGRAM.

"(a) IN GENERAL.—Subject to the availability of appropriations, for fiscal year 2009 and each fiscal year thereafter, the Secretary shall—

"(1) subject to subsection (b), select two tribally controlled postsecondary career and technical institutions to receive assistance under this title; and

"(2) provide funding to the selected tribally controlled postsecondary career and technical institutions to pay the costs (including institutional support costs) of operating postsecondary career and technical education programs for Indian students at the tribally controlled postsecondary career and technical institutions.

"(b) SELECTION OF CERTAIN INSTITUTIONS.—

"(1) REQUIREMENT.—For each fiscal year during which the Secretary determines that a tribally controlled postsecondary career and technical institution described in paragraph (2) meets the definition referred to in section 501, the Secretary shall select that tribally controlled postsecondary career and technical institution under subsection (a)(1) to receive funding under this section.

"(2) INSTITUTIONS.—The two tribally controlled postsecondary career and technical institutions referred to in paragraph (1) are—

"(A) the United Tribes Technical College; and

"(B) the Navajo Technical College.

"(c) METHOD OF PAYMENT.—For each applicable fiscal year, the Secretary shall provide funding under this section to each

tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) in a lump sum payment for the fiscal year.

"(d) DISTRIBUTION.—

"(1) IN GENERAL.—For fiscal year 2009 and each fiscal year thereafter, of amounts made available pursuant to section 504, the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) an amount equal to the greater of—

"(A) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2006; or

"(B) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2008.

"(2) EXCESS AMOUNTS.—If, for any fiscal year, the amount made available pursuant to section 504 exceeds the sum of the amounts required to be distributed under paragraph (1) to the tribally controlled postsecondary career and technical institutions selected for the fiscal year under subsection (a)(1), the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for that fiscal year a portion of the excess amount, to be determined by—

"(A) dividing the excess amount by the aggregate Indian student count (as defined in section 117(h) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327(h)) of such institutions for the prior academic year; and

"(B) multiplying the quotient described in subparagraph (A) by the Indian student count of each such institution for the prior academic year.

"SEC. 503. APPLICABILITY OF OTHER LAWS.

"(a) IN GENERAL.—Paragraphs (4) and (8) of subsection (a), and subsection (b), of section 2, sections 105, 108, 111, 112 and 113, and titles II, III, and IV shall not apply to this title.

"(b) INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE.—Funds made available pursuant to this title shall be subject to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

"(c) ELECTION TO RECEIVE.—A tribally controlled postsecondary career and technical institution selected for a fiscal year under section 502(b) may elect to receive funds pursuant to section 502 in accordance with an agreement between the tribally controlled postsecondary career and technical institution and the Secretary under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) if the agreement is in existence on the date of enactment of the Higher Education Opportunity Act.

"(d) OTHER ASSISTANCE.—Eligibility for, or receipt of, assistance under this title shall not preclude the eligibility of a tribally controlled postsecondary career and technical institution to receive Federal financial assistance under—

"(1) any program under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.);

"(2) any program under the Carl D. Perkins Career and Technical Education Act of 2006; or

"(3) any other applicable program under which a benefit is provided for—

"(A) institutions of higher education;

"(B) community colleges; or

"(C) postsecondary educational institutions.

"SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as are necessary for fiscal year 2009 and each fiscal year thereafter to carry out this title.".

(2) CONFORMING AMENDMENTS.—Section 117 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327) is amended—

(A) by striking subsection (a) and inserting the following:

"(a) GRANT PROGRAM.—Subject to the availability of appropriations, the Secretary shall make grants under this section, to provide basic support for the education and training of Indian students, to tribally controlled postsecondary career and technical institutions that are not receiving Federal assistance as of the date on which the grant is provided under—

"(1) title I of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1802 et seq.); or

"(2) the Navajo Community College Act (25 U.S.C. 640a et seq.)."; and

(B) by striking subsection (d) and inserting the following:

"(d) APPLICATIONS.—To be eligible to receive a grant under this section, a tribally controlled postsecondary career and technical institution that is not receiving Federal assistance under title I of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1802 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.".

(k) SHORT TITLE.—

(1) IN GENERAL.—The first section of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 note; Public Law 95–471) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Tribally Controlled Colleges and Universities Assistance Act of 1978'.".

(2) TECHNICAL AMENDMENTS.—

(A) EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.—Section 533(c)(4)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking "Tribally Controlled College or University Assistance Act of 1978" and inserting "Tribally Controlled Colleges and Universities Assistance Act of 1978".

(B) NATIONAL MUSEUM OF THE AMERICAN INDIAN ACT.—Section 10(b)(2) of the National Museum of the American Indian Act (20 U.S.C. 80q-8(b)(2)) is amended by striking "tribally controlled community colleges (as defined in section 2 of the Tribally Controlled Community College Assistance Act of 1978)" and inserting "tribally controlled colleges or universities (as defined in section 2(a) of the Tribally

Controlled Colleges and Universities Assistance Act of 1978)".

(C) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 602(17)(B) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(17)(B)) is amended—

(i) by striking "community college" and inserting "college or university"; and

(ii) by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(D) CARL D. PERKINS CAREER AND TECHNICAL EDUCATION ACT OF 2006.—The Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.) is amended—

(i) in section 3(33) (20 U.S.C. 2302(33)), by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978";

(ii) in section 117 (20 U.S.C. 2327), by striking "the Tribally Controlled College or University Assistance Act of 1978" each place the term appears and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978"; and

(iii) in section 203(a)(1)(B)(i)(I)(bb)(AA) (20 U.S.C. 2373(a)(1)(B)(i)(I)(bb)(AA)), by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(E) OMNIBUS EDUCATION RECONCILIATION ACT OF 1981.—Section 528 of the Omnibus Education Reconciliation Act of 1981 (20 U.S.C. 3489) is amended by striking "the Tribally Controlled" and all that follows through "1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(F) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(i) in section 3301(3) (20 U.S.C. 7011(3)), by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978"; and

(ii) in section 7134(b)(1)(A) (20 U.S.C. 7454(b)(1)(A)), by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(G) AUGUSTUS F. HAWKINS-ROBERT T. STAFFORD ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT AMENDMENTS OF 1988.—Section 5404(a)(1) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (25 U.S.C. 13d–2(a)(1)) is amended by striking "the Tribally Controlled" and all that follows through "1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(H) INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.—Section 403(b)(4)(A) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458cc(b)(4)(A)) is amended by striking "the Tribally Controlled" and all that follows through "1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(I) INDIAN HEALTH CARE IMPROVEMENT ACT.—The Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) is amended—

(i) in section 113(b)(1) (25 U.S.C. 1616f(b)(1)), by striking "tribally-controlled" and all that follows through "1978)" and inserting "tribally controlled colleges or universities (within the meaning of section 2(a)(4) of the Tribally Controlled Colleges and Universities Act of 1978)";

(ii) in section 115(e) (25 U.S.C. 1616h(e)(2))—

(I) in paragraph (1)(A), by striking "a tribally controlled community college" and inserting "a junior or community college that is a tribally controlled college or university"; and

(II) by striking paragraph (2) and inserting the following:

"(2) The term 'tribally controlled college or university' has the meaning given to such term by section 2(a)(4) of the Tribally Controlled Colleges and Universities Assistance Act of 1978."; and

(iii) by striking paragraph (3) of section 711(g) (25 U.S.C. 1665j(g)) and inserting the following:

"(3) The term 'tribally controlled community college' means a community college that is a tribally controlled college or university, as such term is defined in section 2(a)(4) of the Tribally Controlled Colleges and Universities Assistance Act of 1978.".

(J) INDIAN CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION ACT.—Section 411(d)(5)(C) of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3210(d)(5)(C)) is amended by striking "tribally controlled" and all that follows through the semicolon at the end and inserting "tribally controlled college or university (within the meaning of section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978);".

(K) ASSISTIVE TECHNOLOGY ACT OF 1998.—Section 3(11) of the Assistive Technology Act of 1998 (29 U.S.C. 3002(11)) is amended by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(L) ATOMIC ENERGY ACT OF 1954.—Section 244(a)(3) of the Atomic Energy Act of 1954 (42 U.S.C. 2015c(a)(3)) is amended by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(M) DEPARTMENT OF ENERGY SCIENCE EDUCATION ENHANCEMENT ACT.—Section 3167(a)(5) of the Department of Energy Science Education Enhancement Act (42 U.S.C.

7381c–1(a)(5)) is amended by striking "the Tribally Controlled College Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

(N) ED 1.0 ACT.—The ED 1.0 Act (47 U.S.C. 902 note) is amended in subsection (a)(2)(C) by striking "the Tribally Controlled College or University Assistance Act of 1978" and inserting "the Tribally Controlled Colleges and Universities Assistance Act of 1978".

Subpart 2—Navajo Higher Education

SEC. 945. SHORT TITLE.

This subpart may be cited as the "Navajo Nation Higher Education Act of 2008".

SEC. 946. REAUTHORIZATION OF NAVAJO COMMUNITY COLLEGE ACT.

(a) PURPOSE.—Section 2 of the Navajo Community College Act (25 U.S.C. 640a) is amended—

(1) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(2) by striking "the Navajo Community College" and inserting "Diné College".

(b) GRANTS.—Section 3 of the Navajo Community College Act (25 U.S.C. 640b) is amended—

(1) in the first sentence—

(A) by inserting "the" before "Interior";

(B) by striking "Navajo Tribe of Indians" and inserting "Navajo Nation"; and

(C) by striking "the Navajo Community College" and inserting "Diné College"; and

(2) in the second sentence—

(A) by striking "Navajo Tribe" and inserting "Navajo Nation"; and

(B) by striking "Navajo Indians" and inserting "Navajo people".

(c) STUDY OF FACILITIES NEEDS.—Section 4 of the Navajo Community College Act (25 U.S.C. 640c) is amended—

(1) in subsection (a)—

(A) in the first sentence—

(i) by striking "the Navajo Community College" and inserting "Dine College"; and

(ii) by striking "August 1, 1979" and inserting "October 31, 2010"; and

(B) in the second sentence, by striking "Navajo Tribe" and inserting "Navajo Nation";

(2) in subsection (b), by striking "the date of enactment of the Tribally Controlled Community College Assistance Act of 1978" and inserting "October 1, 2007"; and

(3) in subsection (c), in the first sentence, by striking "the Navajo Community College" and inserting "Diné College".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 5 of the Navajo Community College Act (25 U.S.C. 640c–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "$2,000,000" and all that follows through the end of the paragraph and inserting

"such sums as are necessary for fiscal years 2009 through 2014."; and

(B) by adding at the end the following:

"(3) Sums described in paragraph (2) shall be used to provide grants for construction activities, including the construction of buildings, water and sewer facilities, roads, information technology and telecommunications infrastructure, classrooms, and external structures (such as walkways).";

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking "the Navajo Community College" and inserting "Diné College"; and

(ii) by striking ", for each fiscal year" and all that follows through "for—" and inserting "such sums as are necessary for fiscal years 2009 through 2014 to pay the cost of—";

(B) in subparagraph (A)—

(i) by striking "college" and inserting "College";

(ii) in clauses (i) and (iii), by striking the commas at the ends of the clauses and inserting semicolons; and

(iii) in clause (ii), by striking ", and" at the end and inserting "; and";

(C) in subparagraph (B), by striking the comma at the end and inserting a semicolon;

(D) in subparagraph (C), by striking ", and" at the end and inserting a semicolon;

(E) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(F) by adding at the end the following:

"(E) improving and expanding the College, including by providing, for the Navajo people and others in the community of the College—

"(i) higher education programs;

"(ii) career and technical education;

"(iii) activities relating to the preservation and protection of the Navajo language, philosophy, and culture;

"(iv) employment and training opportunities;

"(v) economic development and community outreach; and

"(vi) a safe learning, working, and living environment."; and

(3) in subsection (c), by striking "the Navajo Community College" and inserting "Diné College".

(e) EFFECT ON OTHER LAWS.—Section 6 of the Navajo Community College Act (25 U.S.C. 640c–2) is amended—

(1) by striking "the Navajo Community College" each place it appears and inserting "Diné College"; and

(2) in subsection (b), by striking "college" and inserting "College".

(f) PAYMENTS; INTEREST.—Section 7 of the Navajo Community College Act (25 U.S.C. 640c–3) is amended by striking "the Navajo Community College" each place it appears and inserting "Diné College".

PART E—OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SEC. 951. SHORT TITLE.

This part may be cited as the "John R. Justice Prosecutors and Defenders Incentive Act of 2008".

SEC. 952. LOAN REPAYMENT FOR PROSECUTORS AND DEFENDERS.

Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by inserting after part II (42 U.S.C. 3797cc et seq.) the following:

"PART JJ—LOAN REPAYMENT FOR PROSECUTORS AND PUBLIC DEFENDERS

"SEC. 3001. GRANT AUTHORIZATION.

"(a) PURPOSE.—The purpose of this section is to encourage qualified individuals to enter and continue employment as prosecutors and public defenders.

"(b) DEFINITIONS.—In this section:

"(1) PROSECUTOR.—The term 'prosecutor' means a full-time employee of a State or unit of local government who—

"(A) is continually licensed to practice law; and

"(B) prosecutes criminal or juvenile delinquency cases at the State or unit of local government level (including supervision, education, or training of other persons prosecuting such cases).

"(2) PUBLIC DEFENDER.—The term 'public defender' means an attorney who—

"(A) is continually licensed to practice law; and

"(B) is—

"(i) a full-time employee of a State or unit of local government who provides legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation);

"(ii) a full-time employee of a nonprofit organization operating under a contract with a State or unit of local government, who devotes substantially all of the employee's full-time employment to providing legal representation to indigent persons in criminal or juvenile delinquency cases (including supervision, education, or training of other persons providing such representation); or

"(iii) employed as a full-time Federal defender attorney in a defender organization established pursuant to subsection (g) of section 3006A of title 18, United States Code, that provides legal representation to indigent persons in criminal or juvenile delinquency cases.

"(3) STUDENT LOAN.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'student loan' means—

"(i) a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

"(ii) a loan made under part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq. and 1087aa et seq.); and

"(iii) a loan made under section 428C or 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1078–3 and 1087e(g)).

"(B) EXCLUSION OF PARENT PLUS LOANS.—The term 'student loan' does not include any of the following loans:

"(i) A loan made to the parents of a dependent student under section 428B of the Higher Education Act of 1965 (20 U.S.C. 1078–2).

"(ii) A Federal Direct PLUS Loan made to the parents of a dependent student.

"(iii) A loan made under section 428C or 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1078–3 and 1087e(g)) to the extent that such loan was used to repay a loan described in clause (i) or (ii).

"(c) PROGRAM AUTHORIZED.—The Attorney General shall establish a program by which the Department of Justice shall assume the obligation to repay a student loan, by direct payments on behalf of a borrower to the holder of such loan, in accordance with subsection (d), for any borrower who—

"(1) is employed as a prosecutor or public defender; and

"(2) is not in default on a loan for which the borrower seeks forgiveness.

"(d) TERMS OF AGREEMENT.—

"(1) IN GENERAL.—To be eligible to receive repayment benefits under subsection (c), a borrower shall enter into a written agreement that specifies that—

"(A) the borrower will remain employed as a prosecutor or public defender for a required period of service of not less than three years, unless involuntarily separated from that employment;

"(B) if the borrower is involuntarily separated from employment on account of misconduct, or voluntarily separates from employment, before the end of the period specified in the agreement, the borrower will repay the Attorney General the amount of any benefits received by such employee under this section;

"(C) if the borrower is required to repay an amount to the Attorney General under subparagraph (B) and fails to repay such amount, a sum equal to that amount shall be recoverable by the Federal Government from the employee (or such employee's estate, if applicable) by such methods as are provided by law for the recovery of amounts owed to the Federal Government;

"(D) the Attorney General may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest; and

"(E) the Attorney General shall make student loan payments under this section for the period of the agreement, subject to the availability of appropriations.

"(2) REPAYMENTS.—

"(A) IN GENERAL.—Any amount repaid by, or recovered from, an individual or the estate of an individual under this subsection shall be credited to the appropriation

account from which the amount involved was originally paid.

"(B) MERGER.—Any amount credited under subparagraph (A) shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations, if any, as the sums with which the amount was merged.

"(3) LIMITATIONS.—

"(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan repayments made by the Attorney General under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed upon by the borrower and the Attorney General in an agreement under paragraph (1), except that the amount paid by the Attorney General under this section shall not exceed—

"(i) $10,000 for any borrower in any calendar year; or

"(ii) an aggregate total of $60,000 in the case of any borrower.

"(B) BEGINNING OF PAYMENTS.—Nothing in this section shall authorize the Attorney General to pay any amount to reimburse a borrower for any repayments made by such borrower prior to the date on which the Attorney General entered into an agreement with the borrower under this subsection.

"(e) ADDITIONAL AGREEMENTS.—

"(1) IN GENERAL.—On completion of the required period of service under an agreement under subsection (d), the borrower and the Attorney General may, subject to paragraph (2), enter into an additional agreement in accordance with subsection (d).

"(2) TERM.—An agreement entered into under paragraph (1) may require the borrower to remain employed as a prosecutor or public defender for less than three years.

"(f) AWARD BASIS; PRIORITY.—

"(1) AWARD BASIS.—Subject to paragraph (2), the Attorney General shall provide repayment benefits under this section—

"(A) giving priority to borrowers who have the least ability to repay their loans, except that the Attorney General shall determine a fair allocation of repayment benefits among prosecutors and public defenders, and among employing entities nationwide; and

"(B) subject to the availability of appropriations.

"(2) PRIORITY.—The Attorney General shall give priority in providing repayment benefits under this section in any fiscal year to a borrower who—

"(A) received repayment benefits under this section during the preceding fiscal year; and

"(B) has completed less than three years of the first required period of service specified for the borrower in an agreement entered into under subsection (d).

"(g) REGULATIONS.—The Attorney General is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

"(h) REPORT BY INSPECTOR GENERAL.—Not later than three years after the date of the enactment of this section, the Inspector

General of the Department of Justice shall submit to Congress a report on—

"(1) the cost of the program authorized under this section; and

"(2) the impact of such program on the hiring and retention of prosecutors and public defenders.

"(i) GAO STUDY.—Not later than one year after the date of the enactment of this section, the Comptroller General shall conduct a study of, and report to Congress on, the impact that law school accreditation requirements and other factors have on the costs of law school and student access to law school, including the impact of such requirements on racial and ethnic minorities.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.".

PART F—INSTITUTIONAL LOAN REPAYMENT ASSISTANCE PROGRAMS

SEC. 961. INSTITUTIONAL LOAN FORGIVENESS PROGRAMS.

Notwithstanding any other provision of law—

(1) a public or private institution of higher education may provide an officer or employee of any branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, who is a current or former student of such institution, financial assistance for the purpose of repaying a student loan or providing forbearance of student loan repayment if—

(A) such repayment or forbearance is provided to such officer or employee in accordance with a written, published policy of the institution relating to repaying or providing forbearance, respectively, for students or former students who perform public service; and

(B) in the case of a former student of the institution of higher education, the policy described in subparagraph (A) was in effect at the institution of higher education on the day before the date such officer or employee graduated from or otherwise ceased being a student at such institution; and

(2) an officer or employee of any branch of the United States Government, of any independent agency of the United States, or of the District of Columbia may receive repayment or forbearance permitted under paragraph (1).

PART G—MINORITY SERVING INSTITUTION DIGITAL AND WIRELESS TECHNOLOGY OPPORTUNITY PROGRAM

SEC. 971. MINORITY SERVING INSTITUTION DIGITAL AND WIRELESS TECHNOLOGY OPPORTUNITY PROGRAM.

Section 5 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704) is amended by inserting after subsection (b) the following:

"(c) MINORITY SERVING INSTITUTION DIGITAL AND WIRELESS TECHNOLOGY OPPORTUNITY PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a Minority Serving Institution Digital and Wireless Technology Opportunity Program that awards grants, cooperative agreements, and contracts to eligible institutions to enable the eligible institutions in acquiring, and augmenting the institutions' use of, digital and wireless networking technologies to improve the quality and delivery of educational services at eligible institutions.

"(2) APPLICATION AND REVIEW PROCEDURES.—

"(A) IN GENERAL.—To be eligible to receive a grant, cooperative agreement, or contract under this subsection, an eligible institution shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application, at a minimum, shall include a description of how the funds will be used, including a description of any digital and wireless networking technology to be acquired, and a description of how the institution will ensure that digital and wireless networking technology will be made accessible to, and employed by, students, faculty, and administrators. The Secretary, consistent with subparagraph (C) and in consultation with the advisory council established under subparagraph (B), shall establish procedures to review such applications. The Secretary shall publish the application requirements and review criteria in the Federal Register, along with a statement describing the availability of funds.

"(B) ADVISORY COUNCIL.—The Secretary shall establish an advisory council to advise the Secretary on the best approaches to encourage maximum participation by eligible institutions in the program established under paragraph (1), and on the procedures to review applications submitted to the program. In selecting the members of the advisory council, the Secretary shall consult with representatives of appropriate organizations, including representatives of eligible institutions, to ensure that the membership of the advisory council includes representatives of minority businesses and eligible institution communities. The Secretary shall also consult with experts in digital and wireless networking technology to ensure that such expertise is represented on the advisory council.

"(C) REVIEW PANELS.—Each application submitted under this subsection by an eligible institution shall be reviewed by a panel of individuals selected by the Secretary to judge the quality and merit of the proposal, including the extent to which the eligible institution can effectively and successfully utilize the proposed grant, cooperative agreement, or contract to carry out the program described in paragraph (1). The Secretary shall ensure that the review panels include representatives of minority serving institutions and others who are knowledgeable about eligible institutions and technology issues. The Secretary shall ensure that no individual assigned under this subsection to review any application has a conflict of interest with regard to that application. The Secretary shall take into consideration the recommendations of the review panel

in determining whether to award a grant, cooperative agreement, or contract to an eligible institution.

"(3) AWARDS.—

"(A) LIMITATION.—An eligible institution that receives a grant, cooperative agreement, or contract under this subsection that exceeds $2,500,000 shall not be eligible to receive another grant, cooperative agreement, or contract under this subsection.

"(B) CONSORTIA.—Grants, cooperative agreements, and contracts may only be awarded to eligible institutions. Eligible institutions may seek funding under this subsection for consortia, which may include other eligible institutions, a State or a State educational agency, local educational agencies, institutions of higher education, community-based organizations, national nonprofit organizations, or businesses, including minority businesses.

"(C) PLANNING GRANTS.—The Secretary may provide funds to develop strategic plans to implement grants, cooperative agreements, or contracts awarded under this subsection.

"(D) INSTITUTIONAL DIVERSITY.—In awarding grants, cooperative agreements, and contracts to eligible institutions, the Secretary shall ensure, to the extent practicable, that awards are made to all types of institutions eligible for assistance under this subsection.

"(E) NEED.—In awarding funds under this subsection, the Secretary shall give priority to the eligible institution with the greatest demonstrated need for assistance.

"(4) AUTHORIZED ACTIVITIES.—An eligible institution may use a grant, cooperative agreement, or contract awarded under this subsection—

"(A) to acquire equipment, instrumentation, networking capability, hardware and software, digital network technology, wireless technology, and infrastructure to further the objective of the program described in paragraph (1);

"(B) to develop and provide training, education, and professional development programs, including faculty development, to increase the use of, and usefulness of, digital and wireless networking technology;

"(C) to provide teacher education, including the provision of preservice teacher training and in-service professional development at eligible institutions, library and media specialist training, and preschool and teacher aid certification to individuals who seek to acquire or enhance technology skills in order to use digital and wireless networking technology in the classroom or instructional process, including instruction in science, mathematics, engineering, and technology subjects;

"(D) to obtain capacity-building technical assistance, including through remote technical support, technical assistance workshops, and distance learning services; or

"(E) to foster the use of digital and wireless networking technology to improve research and education, including scientific, mathematics, engineering, and technology instruction.

"(5) INFORMATION DISSEMINATION.—The Secretary shall convene an annual meeting of eligible institutions receiving grants, cooperative agreements, or contracts under this subsection to foster collaboration and capacity-building activities among eligible institutions.

"(6) MATCHING REQUIREMENT.—The Secretary may not award a grant, cooperative agreement, or contract to an eligible institution under this subsection unless such institution agrees that, with respect to the costs incurred by the institution in carrying out the program for which the grant, cooperative agreement, or contract was awarded, such institution shall make available, directly, or through donations from public or private entities, non-Federal contributions in an amount equal to 25 percent of the grant, cooperative agreement, or contract awarded by the Secretary, or $500,000, whichever is the lesser amount. The Secretary shall waive the matching requirement for any institution or consortium with no endowment, or an endowment that has a current dollar value lower than $50,000,000.

"(7) ANNUAL REPORT AND ASSESSMENTS.—

"(A) ANNUAL REPORT REQUIRED FROM RECIPIENTS.—Each eligible institution that receives a grant, cooperative agreement, or contract awarded under this subsection shall provide an annual report to the Secretary on its use of the grant, cooperative agreement, or contract.

"(B) INDEPENDENT ASSESSMENTS.—

"(i) CONTRACT TO CONDUCT ASSESSMENTS.—Not later than 6 months after the date of enactment of this subsection, the Secretary shall enter into a contract with the National Academy of Public Administration to conduct periodic assessments of the program established under paragraph (1). The assessments shall be conducted once every 3 years during the 10-year period following the date of enactment of this subsection.

"(ii) EVALUATIONS AND RECOMMENDATIONS.—The assessments described in clause (i) shall include—

"(I) an evaluation of the effectiveness of the program established under paragraph (1) in improving the education and training of students, faculty, and staff at eligible institutions that have been awarded grants, cooperative agreements, or contracts under the program;

"(II) an evaluation of the effectiveness of the program in improving access to, and familiarity with, digital and wireless networking technology for students, faculty, and staff at all eligible institutions;

"(III) an evaluation of the procedures established under paragraph (2)(A); and

"(IV) recommendations for improving the program, including recommendations concerning the continuing need for Federal support.

"(iii) REVIEW OF REPORTS.—In carrying out the assessments under this subparagraph, the National Academy of Public Administration shall review the

reports submitted to the Secretary under subparagraph (A).

"(iv) REPORT TO CONGRESS.—Upon completion of each assessment under this subparagraph, the Secretary shall transmit the assessment to Congress along with a summary of the Secretary's plans, if any, to implement the recommendations of the National Academy of Public Administration.

"(8) DEFINITIONS.—In this subsection:

"(A) DIGITAL AND WIRELESS NETWORKING TECHNOLOGY.—The term 'digital and wireless networking technology' means computer and communications equipment and software that facilitates the transmission of information in a digital format.

"(B) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution that is—

"(i) a part B institution, as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)), an institution identified in subparagraph (A), (B), or (C) of section 326(e)(1) of such Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C)), or a consortium of institutions described in this clause;

"(ii) a Hispanic-serving institution, as defined in section 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5));

"(iii) a Tribal College or University, as defined in section 316(b)(3) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)(3));

"(iv) an Alaska Native-serving institution, as defined in section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b));

"(v) a Native Hawaiian-serving institution, as defined in section 317(b) of the Higher Education Act of 1965 (20 U.S.C. 1059d(b));

"(vi) a Predominately Black Institution, as defined in section 318 of the Higher Education Act of 1965 (20 U.S.C. 1059e);

"(vii) a Native American-serving, nontribal institution, as defined in section 319 of the Higher Education Act of 1965 (20 U.S.C. 1059f);

"(viii) an Asian American and Native American Pacific Islander-serving institution, as defined in section 320 of the Higher Education Act of 1965 (20 U.S.C. 1059g); or

"(ix) a minority institution, as defined in section 365 of the Higher Education Act of 1965 (20 U.S.C. 1067k), with an enrollment of needy students, as defined in section 312(d) of the Higher Education Act of 1965 (20 U.S.C. 1058(d)).

"(C) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(D) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(E) MINORITY BUSINESS.—The term 'minority business' includes HUBZone small business concerns (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p))).

"(F) MINORITY INDIVIDUAL.—The term 'minority individual' means an American Indian, Alaskan Native, Black (not of Hispanic origin), Hispanic (including persons of Mexican, Puerto Rican, Cuban, and Central or South American origin), or Pacific Islander individual.

"(G) STATE.—The term 'State' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(H) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).".

SEC. 972. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce to carry out section 5(c) of the Stevenson-Wydler Technology Innovation Act of 1980 such sums as may be necessary for each of the fiscal years 2009 through 2012.

TITLE X—PRIVATE STUDENT LOAN IMPROVEMENT

SEC. 1001. SHORT TITLE.

This title may be cited as the "Private Student Loan Transparency and Improvement Act of 2008".

SEC. 1002. REGULATIONS.

Not later than 365 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall issue regulations in final form to implement paragraphs (1), (2), (3), (4), (6), (7), and (8) of section 128(e) and section 140(c) of the Truth in Lending Act, as added by this title, which regulations shall become effective not later than 6 months after their date of issuance.

SEC. 1003. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise provided in this title, this title and the amendments made by this title shall become effective on the date of enactment of this Act.

(b) EFFECT NOTWITHSTANDING REGULATIONS.—Paragraphs (1), (2), (3), (4), (6), (7), and (8) of section 128(e) and section 140(c) of the Truth in Lending Act, as added by this title, shall become effective on the earlier of the date on which regulations issued under section 1002 become effective or 18 months after the date of enactment of this Act.

Subtitle A—Preventing Unfair and Deceptive Private Educational Lending Practices and Eliminating Conflicts of Interest

SEC. 1011. AMENDMENT TO THE TRUTH IN LENDING ACT.

(a) PREVENTING UNFAIR AND DECEPTIVE PRIVATE EDUCATIONAL LENDING PRACTICES AND CONFLICTS OF INTEREST.—Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end the following new section:

"§ 140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest

"(a) DEFINITIONS.—As used in this section—

"(1) the term 'covered educational institution'—

"(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education); and

"(B) includes an agent, officer, or employee of the educational institution;

"(2) the term 'gift'—

"(A)(i) means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having more than a de minimis monetary value, including services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred; and

"(ii) includes an item described in clause (i) provided to a family member of an officer, employee, or agent of a covered educational institution, or to any other individual based on that individual's relationship with the officer, employee, or agent, if—

"(I) the item is provided with the knowledge and acquiescence of the officer, employee, or agent; and

"(II) the officer, employee, or agent has reason to believe the item was provided because of the official position of the officer, employee, or agent; and

"(B) does not include—

"(i) standard informational material related to a loan, default aversion, default prevention, or financial literacy;

"(ii) food, refreshments, training, or informational material furnished to an officer, employee, or agent of a covered educational institution, as an integral part of a training session or through participation in an advisory council that is designed to improve the service of the private educational lender to the covered educational institution, if such training or participation contributes to the professional development of the officer, employee, or agent of the covered educational institution;

"(iii) favorable terms, conditions, and borrower benefits on a private education loan provided to a student employed by the covered educational institution, if such terms, conditions, or benefits are not provided because of the student's employment with the covered educational institution;

"(iv) the provision of financial literacy counseling or services, including counseling or services provided in coordination with a covered educational institution, to the extent that such counseling or services are not undertaken to secure—

"(I) applications for private education loans or private education loan volume;

"(II) applications or loan volume for any loan made, insured, or guaranteed under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); or

"(III) the purchase of a product or service of a specific private educational lender;

"(v) philanthropic contributions to a covered educational institution from a private educational lender that are unrelated to private education loans and are not made in exchange for any advantage related to private education loans; or

"(vi) State education grants, scholarships, or financial aid funds administered by or on behalf of a State;

"(3) the term 'institution of higher education' has the same meaning as in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002);

"(4) the term 'postsecondary educational expenses' means any of the expenses that are included as part of the cost of attendance of a student, as defined under section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll);

"(5) the term 'preferred lender arrangement' has the same meaning as in section 151 of the Higher Education Act of 1965;

"(6) the term 'private educational lender' means—

"(A) a financial institution, as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) that solicits, makes, or extends private education loans;

"(B) a Federal credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752) that solicits, makes, or extends private education loans; and

"(C) any other person engaged in the business of soliciting, making, or extending private education loans;

"(7) the term 'private education loan'—

"(A) means a loan provided by a private educational lender that—

"(i) is not made, insured, or guaranteed under of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

"(ii) is issued expressly for postsecondary educational expenses to a borrower, regardless of whether the loan is provided through the educational institution that the subject student attends or directly to the borrower from the private educational lender; and

"(B) does not include an extension of credit under an open end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling; and

"(8) the term 'revenue sharing' means an arrangement between a covered educational institution and a private educational lender under which—

"(A) a private educational lender provides or issues private education loans with respect to students attending the covered educational institution;

"(B) the covered educational institution recommends to students or others the private educational lender or the private education loans of the private educational lender; and

"(C) the private educational lender pays a fee or provides other material benefits, including profit sharing, to the covered educational institution in connection with the private education loans provided to students attending the covered educational institution or a borrower acting on behalf of a student.

"(b) PROHIBITION ON CERTAIN GIFTS AND ARRANGEMENTS.—A private educational lender may not, directly or indirectly—

"(1) offer or provide any gift to a covered educational institution in exchange for any advantage or consideration provided to such private educational lender related to its private education loan activities; or

"(2) engage in revenue sharing with a covered educational institution.

"(c) PROHIBITION ON CO-BRANDING.—A private educational lender may not use the name, emblem, mascot, or logo of the covered educational institution, or other words, pictures, or symbols readily identified with the covered educational institution, in the marketing of private education loans in any way that implies that the covered educational institution endorses the private education loans offered by the private educational lender.

"(d) ADVISORY BOARD COMPENSATION.—Any person who is employed in the financial aid office of a covered educational institution, or who otherwise has responsibilities with respect to private education loans or other financial aid of the institution, and who serves on an advisory board, commission, or group established by a private educational lender or group of such lenders shall be prohibited from receiving anything of value from the private educational lender or group of lenders. Nothing in this subsection prohibits the reimbursement of reasonable expenses incurred by an employee of a covered educational institution as part of their service on an advisory board, commission, or group described in this subsection.

"(e) PROHIBITION ON PREPAYMENT OR REPAYMENT FEES OR PENALTY.—It shall be unlawful for any private educational lender to impose a fee or penalty on a borrower for early repayment or prepayment of any private education loan.".

(b) CONFORMING AMENDMENT TO TRUTH IN LENDING ACT.—Section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended by adding at the end the following: "The term 'creditor' includes a private educational lender (as that term is defined in section 140) for purposes of this title.".

(c) DISCLOSURES OF REIMBURSEMENTS FOR SERVICE ON ADVISORY BOARDS.—

Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092), as amended by this Act, is further amended by adding at the end the following:

"(m) DISCLOSURES OF REIMBURSEMENTS FOR SERVICE ON ADVISORY BOARDS.—

"(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall report, on an annual basis, to the Secretary, any reasonable expenses paid or provided under section 140(d) of the Truth in Lending Act to any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other financial aid of the institution. Such reports shall include—

"(A) the amount for each specific instance of reasonable expenses paid or provided;

"(B) the name of the financial aid official, other employee, or agent to whom the expenses were paid or provided;

"(C) the dates of the activity for which the expenses were paid or provided; and

"(D) a brief description of the activity for which the expenses were paid or provided.

"(2) REPORT TO CONGRESS.—The Secretary shall summarize the information received from institutions of higher education under paragraph (1) in a report and transmit such report annually to the authorizing committees.".

SEC. 1012. CIVIL LIABILITY.

(a) IN GENERAL.—Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting "or 128(e)(7)" after "section 125"; and

(B) in the fourth sentence of the undesignated matter at the end—

(i) by striking "125 or" and inserting "125,"; and

(ii) by inserting "of subparagraphs (A), (B), (D), (F), or (J) of section 128(e)(2) (for purposes of paragraph (2) or (4) of section 128(e)), or paragraph (4)(C), (6), (7), or (8) of section 128(e)," before "or for failing";

(2) in subsection (e), by inserting before the first period the following: "or, in the case of a violation involving a private education loan (as that term is defined in section 140(a)), 1 year from the date on which the first regular payment of principal is due under the loan"; and

(3) by adding at the end the following:

"(j) PRIVATE EDUCATIONAL LENDER.—A private educational lender (as that term is defined in section 140(a)) has no liability under this section for failure to comply with section 128(e)(3)).".

(b) EFFECTIVE DATE.—The amendments made by this section shall have the same effective date as provisions referred to in section 1003(b).

SEC. 1013. CLERICAL AMENDMENT.

The table of sections for chapter 2 of title I of the Truth in Lending Act (15 U.S.C. 1631 et seq.) is amended by adding at the end the following:

"140. Preventing unfair and deceptive private educational lending practices and eliminating conflicts of interest.".

Subtitle B—Improved Disclosures for Private Education Loans

SEC. 1021. PRIVATE EDUCATION LOAN DISCLOSURES AND LIMITATIONS.

(a) TRUTH IN LENDING ACT.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following:

"(e) TERMS AND DISCLOSURE WITH RESPECT TO PRIVATE EDUCATION LOANS.—

"(1) DISCLOSURES REQUIRED IN PRIVATE EDUCATION LOAN APPLICATIONS AND SOLICITATIONS.—In any application for a private education loan, or a solicitation for a private education loan without requiring an application, the private educational lender shall disclose to the borrower, clearly and conspicuously—

"(A) the potential range of rates of interest applicable to the private education loan;

"(B) whether the rate of interest applicable to the private education loan is fixed or variable;

"(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof, if applicable;

"(D) requirements for a co-borrower, including any changes in the applicable interest rates without a co-borrower;

"(E) potential finance charges, late fees, penalties, and adjustments to principal, based on defaults or late payments of the borrower;

"(F) fees or range of fees applicable to the private education loan;

"(G) the term of the private education loan;

"(H) whether interest will accrue while the student to whom the private education loan relates is enrolled at a covered educational institution;

"(I) payment deferral options;

"(J) general eligibility criteria for the private education loan;

"(K) an example of the total cost of the private education loan over the life of the loan—

"(i) which shall be calculated using the principal amount and the maximum rate of interest actually offered by the private educational lender; and

"(ii) calculated both with and without capitalization of interest, if an option exists for postponing interest payments;

"(L) that a covered educational institution may have school-specific education loan benefits and terms not detailed on the disclosure form;

"(M) that the borrower may qualify for Federal student financial assistance through a program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), in lieu of, or in addition to, a loan from a non-Federal source;

"(N) the interest rates available with respect to such Federal student financial assistance through a program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.);

"(O) that, as provided in paragraph (6)—

"(i) the borrower shall have the right to accept the terms of the loan and consummate the transaction at any time within 30 calendar days (or such longer period as the private educational lender may provide) following the date on which the application for the private education loan is approved and the borrower receives the disclosure documents required under this subsection for the loan; and

"(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the private educational lender during the period described in clause (i);

"(P) that, before a private education loan may be consummated, the borrower must obtain from the relevant institution of higher education the form required under paragraph (3), and complete, sign, and return such form to the private educational lender;

"(Q) that the consumer may obtain additional information concerning such Federal student financial assistance from their institution of higher education, or at the website of the Department of Education; and

"(R) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

"(2) DISCLOSURES AT THE TIME OF PRIVATE EDUCATION LOAN APPROVAL.—Contemporaneously with the approval of a private education loan application, and before the loan transaction is consummated, the private educational lender shall disclose to the borrower, clearly and conspicuously—

"(A) the applicable rate of interest in effect on the date of approval;

"(B) whether the rate of interest applicable to the private education loan is fixed or variable;

"(C) limitations on interest rate adjustments, both in terms of frequency and amount, or the lack thereof, if applicable;

"(D) the initial approved principal amount;

"(E) applicable finance charges, late fees, penalties, and adjustments to principal, based on borrower defaults or late payments, including limitations on the discharge of a private education loan in bankruptcy;

"(F) fees or range of fees applicable to the private education loan;

"(G) the maximum term under the private education loan program;

"(H) an estimate of the total amount for repayment, at both the interest rate in effect on the date of approval and at the maximum possible rate of interest offered by the private educational lender and applicable to the borrower, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof;

"(I) any principal and interest payments required while the student for whom the private education loan is intended is enrolled at a covered educational institution and unpaid interest that will accrue during such enrollment;

"(J) payment deferral options applicable to the borrower;

"(K) whether monthly payments are graduated;

"(L) that, as provided in paragraph (6)—

"(i) the borrower shall have the right to accept the terms of the loan and consummate the transaction at any time within 30 calendar days (or such longer period as the private educational lender may provide) following the date on which the application for the private education loan is approved and the borrower receives the disclosure documents required under this subsection for the loan; and

"(ii) except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the private educational lender during the period described in clause (i);

"(M) that the borrower —

"(i) may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), in lieu of, or in addition to, a loan from a non-Federal source; and

"(ii) may obtain additional information concerning such assistance from their institution of higher education or the website of the Department of Education;

"(N) the interest rates available with respect to such Federal financial assistance through a program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.);

"(O) the maximum monthly payment, calculated using the maximum rate of interest actually offered by the private educational lender and applicable to the borrower, to the extent that such maximum rate may be determined, or if not, a good faith estimate thereof; and

"(P) such other information as the Board shall prescribe, by rule, as necessary or appropriate for consumers to make informed borrowing decisions.

"(3) SELF-CERTIFICATION OF INFORMATION.—

"(A) IN GENERAL.—Before a private educational lender may consummate a private education loan with respect to a student attending an institution of higher education, the lender shall obtain from the applicant for the private education loan the form developed by the Secretary of Education under section 155 of the Higher Education Act

of 1965, signed by the applicant, in written or electronic form.

"(B) RULE OF CONSTRUCTION.—No other provision of this subsection shall be construed to require a private educational lender to perform any additional duty under this paragraph, other than collecting the form required under subparagraph (A).

"(4) DISCLOSURES AT THE TIME OF PRIVATE EDUCATION LOAN CONSUMMATION.—Contemporaneously with the consummation of a private education loan, a private educational lender shall make to the borrower each of the disclosures described in—

"(A) paragraph (2)(A) (adjusted, as necessary, for the rate of interest in effect on the date of consummation, based on the index used for the loan);

"(B) subparagraphs (B) through (K) and (M) through (P) of paragraph (2); and

"(C) paragraph (7).

"(5) FORMAT OF DISCLOSURES.—

"(A) MODEL FORM.—Not later than 2 years after the date of enactment of this subsection, the Board shall, based on consumer testing, and in consultation with the Secretary of Education, develop and issue model forms that may be used, at the option of the private educational lender, for the provision of disclosures required under this subsection.

"(B) FORMAT.—Model forms developed under this paragraph shall—

"(i) be comprehensible to borrowers, with a clear format and design;

"(ii) provide for clear and conspicuous disclosures;

"(iii) enable borrowers easily to identify material terms of the loan and to compare such terms among private education loans; and

"(iv) be succinct, and use an easily readable type font.

"(C) SAFE HARBOR.—Any private educational lender that elects to provide a model form developed under this subsection that accurately reflects the practices of the private educational lender shall be deemed to be in compliance with the disclosures required under this subsection.

"(6) EFFECTIVE PERIOD OF APPROVED RATE OF INTEREST AND LOAN TERMS.—

"(A) IN GENERAL.—With respect to a private education loan, the borrower shall have the right to accept the terms of the loan and consummate the transaction at any time within 30 calendar days (or such longer period as the private educational lender may provide) following the date on which the application for the private education loan is approved and the borrower receives the disclosure documents required under this subsection for the loan, and the rates and terms of the loan may not be changed by the private educational lender during that period.

"(B) PROHIBITION ON CHANGES.—Except for changes based on adjustments to the index used for a loan, the rates and terms of the loan may not be changed by the private educational lender prior to the earlier of—

"(i) the date of acceptance of the terms of the loan and consummation of the transaction by the borrower, as described in subparagraph (A); or

"(ii) the expiration of the period described in subparagraph (A).

"(7) RIGHT TO CANCEL.—With respect to a private education loan, the borrower may cancel the loan, without penalty to the borrower, at any time within 3 business days of the date on which the loan is consummated, and the private educational lender shall disclose such right to the borrower in accordance with paragraph (4).

"(8) PROHIBITION ON DISBURSEMENT.—No funds may be disbursed with respect to a private education loan until the expiration of the 3-day period described in paragraph (7).

"(9) BOARD REGULATIONS.—In issuing regulations under this subsection, the Board shall prevent, to the extent possible, duplicative disclosure requirements for private educational lenders that are otherwise required to make disclosures under this title, except that in any case in which the disclosure requirements of this subsection differ or conflict with the disclosure requirements of any other provision of this title, the requirements of this subsection shall be controlling.

"(10) DEFINITIONS.—For purposes of this subsection, the terms 'covered educational institution', 'private educational lender', and 'private education loan' have the same meanings as in section 140.

"(11) DUTIES OF LENDERS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.—Each private educational lender that has a preferred lender arrangement with a covered educational institution shall annually, by a date determined by the Board, in consultation with the Secretary of Education, provide to the covered educational institution such information as the Board determines to include in the model form developed under paragraph (5) for each type of private education loan that the lender plans to offer to students attending the covered educational institution, or to the families of such students, for the next award year (as that term is defined in section 481 of the Higher Education Act of 1965).".

(b) SELF-CERTIFICATION FORM.—Part E of title I of the Higher Education Act of 1965, as added by this Act, is further amended by inserting after section 154 the following:

"SEC. 155. SELF-CERTIFICATION FORM FOR PRIVATE EDUCATION LOANS.

"(a) IN GENERAL.—The Secretary, in consultation with the Board of Governors of the Federal Reserve System, shall develop the self-certification form for private education loans that shall be used to satisfy the requirements of section 128(e)(3) of the Truth in Lending Act. Such form shall—

"(1) be developed in a standardized format;

"(2) be made available to the applicant by the relevant institution of higher education, in written or electronic form, upon request of the applicant;

"(3) contain only disclosures that—

"(A) the applicant may qualify for Federal student financial assistance through a program under title IV of

this Act, or State or institutional student financial assistance, in place of, or in addition to, a private education loan;

"(B) the applicant is encouraged to discuss the availability of Federal, State, and institutional student financial assistance with financial aid officials at the applicant's institution of higher education;

"(C) a private education loan may affect the applicant's eligibility for free or low-cost Federal, State or institutional student financial assistance; and

"(D) the information that the applicant is required to provide on the form is available from officials at the financial aid office of the institution of higher education;

"(4) include a place to provide information on—

"(A) the applicant's cost of attendance at the institution of higher education, as determined by the institution under Part F of title IV;

"(B) the applicant's expected family contribution, as determined under Part F of title IV, as applicable, for students who have completed the free application for Federal student aid;

"(C) the applicant's estimated financial assistance, as determined by the institution, in accordance with title IV, as applicable;

"(D) the difference between the amounts under subparagraphs (A) and (C), as applicable; and

"(E) the sum of the amounts under subparagraphs (B) and (D), as applicable; and

"(5) include a place for the applicant's signature, in written or electronic form.

"(b) LIMIT ON LIABILITY.—Nothing in this section shall be construed to create a private right of action against an institution of higher education with respect to the form developed under subsection (a).".

SEC. 1022. APPLICATION OF TRUTH IN LENDING ACT TO ALL PRIVATE EDUCATION LOANS.

Section 104(3) of the Truth in Lending Act (15 U.S.C. 1603(3)) is amended by inserting "and other than private education loans (as that term is defined in section 140(a))" after "consumer".

Subtitle C—College Affordability

SEC. 1031. COMMUNITY REINVESTMENT ACT CREDIT FOR LOW-COST LOANS.

(a) IN GENERAL.—Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended by adding at the end the following new subsection:

"(d) LOW-COST EDUCATION LOANS.—In assessing and taking into account, under subsection (a), the record of a financial institution, the appropriate Federal financial supervisory agency shall consider, as a factor, low-cost education loans provided by the financial institution to low-income borrowers.".

(b) REGULATIONS REQUIRED.—Not later than 1 year after the date of enactment of this Act, each appropriate Federal financial supervisory agency shall issue rules in final form to implement

section 804(d) of the Community Reinvestment Act of 1977, as added by this section.

Subtitle D—Financial Literacy; Studies and Reports

SEC. 1041. DEFINITIONS.

As used in this subtitle—

(1) the terms "covered educational institution", "private educational lender", and "private education loan" have the same meanings as in section 140 of the Truth in Lending Act, as added by this Act;

(2) the term "historically Black colleges and universities" means a "part B institution", within the meaning of section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061)); and

(3) the term "land-grant colleges and universities" has the same meaning as in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103).

SEC. 1042. COORDINATED EDUCATION EFFORTS.

(a) IN GENERAL.—The Secretary of the Treasury (in this section referred to as the "Secretary"), in coordination with the Secretary of Education, the Secretary of Agriculture (with respect to land-grant colleges and universities), and any other appropriate agency that is a member of the Financial Literacy and Education Commission established under the Financial Literacy and Education Improvement Act (20 U.S.C. 9701 et seq.), shall seek to enhance financial literacy among students at covered educational institutions through—

(1) the development of initiatives, programs, and curricula that improve student awareness of the short- and long-term costs associated with education loans and other debt assumed while in college, their repayment obligations, and their rights as borrowers; and

(2) assisting such students in navigating the financial aid process.

(b) DUTIES.—For purposes of this section, the Secretary, working in conjunction with the Secretary of Education, the Secretary of Agriculture, and the Financial Literacy and Education Commission, shall—

(1) identify programs that promote or enhance financial literacy for college students, with specific emphasis on programs that impart the knowledge and ability for students to best navigate the financial aid process, including those that involve partnerships between nonprofit organizations, colleges and universities, State and local governments, and student organizations;

(2) evaluate the effectiveness of such programs in terms of measured results, including positive behavioral change among college students;

(3) promote the programs identified as being the most effective; and

(4) encourage covered educational institutions to implement financial education programs for their students, including those that have the highest evaluations.

(c) REPORT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Financial Literacy and Education Commission shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Health Education, Labor, and Pensions of the Senate and the Committee on Financial Services and the Committee on Education and Labor of the House of Representatives on the state of financial education among students at covered educational institutions.

(2) CONTENT.—The report required by this subsection shall include a description of progress made in enhancing financial education with respect to student understanding of financial aid, including the programs and evaluations required by this section.

(3) APPEARANCE BEFORE CONGRESS.—The Secretary shall, upon request, provide testimony before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives concerning the report required by this subsection.

TITLE XI—STUDIES AND REPORTS

SEC. 1101. STUDY ON FOREIGN GRADUATE MEDICAL SCHOOLS.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) complete a study that examines the performance of students from the United States receiving Federal student financial aid to attend graduate medical schools located outside of the United States;

(2) provide data and make recommendations to the National Committee on Foreign Medical Education and Accreditation in a timely manner so as to assist the Secretary of Education in the Department of Education's review required under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002); and

(3) submit to the authorizing committees a report setting forth the conclusions of the study.

(b) CONTENTS.—The study conducted under this section shall include the following:

(1) The amount of Federal student financial aid dollars that are spent on graduate medical schools located outside of the United States every year, and the percentage of overall student aid such amount represents.

(2) The percentage of students of such medical schools who pass the examination sponsored by the Federation of State Medical Boards of the United States, Inc., and the National Board of Medical Examiners the first time.

(3) The percentage of students of such medical schools who pass the United States medical licensing examination after taking such examinations multiple times, disaggregated by the

number of times the students had to take the examinations to pass.

(4) The percentage of recent graduates of such medical schools practicing medicine in the United States, and a description of where the students are practicing and what types of medicine the students are practicing.

(5) The rate of graduates of such medical schools who lose malpractice lawsuits or have the graduates' medical licenses revoked, as compared to graduates of graduate medical schools located in the United States.

(6) Recommendations regarding the percentage passing rate of the United States medical licensing examination that the United States should require of graduate medical schools located outside of the United States for Federal student financial aid purposes.

SEC. 1102. EMPLOYMENT OF POSTSECONDARY EDUCATION GRADUATES.

(a) STUDY, ASSESSMENTS, AND RECOMMENDATIONS.—The Comptroller General of the United States shall—

(1) conduct a study of—

(A) the information that States have on the employment of students who have completed postsecondary education programs;

(B) the feasibility of collecting information on students who complete all types of postsecondary education programs (including two- and four-year degree, certificate, professional, and graduate programs) at all types of institutions of higher education (including public, private nonprofit, and for–profit schools), regarding—

(i) employment, including—

(I) the type of job obtained not later than six months after the completion of the degree, certificate, or program;

(II) whether such job was related to the course of study;

(III) the starting salary for such job; and

(IV) the student's satisfaction with the student's preparation for such job and guidance provided with respect to securing the job; and

(ii) for recipients of Federal student aid, the type of assistance received, so that the information can be used to evaluate various education programs;

(C) the evaluation systems used by other industries to identify successful programs and challenges, set priorities, monitor performance, and make improvements;

(D) the best means of collecting information from or regarding recent postsecondary graduates, including—

(i) whether a national website would be the most effective way to collect information;

(ii) whether postsecondary education graduates could be encouraged to voluntarily submit information by allowing a graduate to access aggregated information about other graduates (such as graduates from the graduate's school, with the graduate's degree, or in the graduate's area) if the graduate completes an online questionnaire;

(iii) whether employers could be encouraged to submit information by allowing an employer to access aggregated information about graduates (such as institutions of higher education attended, degrees, or starting pay) if the employer completes an online questionnaire to evaluate the employer's satisfaction with the graduates the employer hires; and

(iv) whether postsecondary institutions that receive Federal funds or whose students have received Federal student financial aid could be required to submit aggregated information about the graduates of the institutions; and

(E) the best means of displaying employment information; and

(2) provide assessments and recommendations regarding—

(A) whether successful State cooperative relationships between higher education system offices and State agencies responsible for employment statistics can be encouraged and replicated in other States;

(B) whether there is value in collecting additional information from, or about, the employment experience of individuals who have recently completed a postsecondary educational program;

(C) the most promising ways of obtaining and displaying or disseminating such information;

(D) if a website is used for such information, whether the website should be run by a governmental agency or contracted out to an independent education or employment organization;

(E) whether a voluntary information system would work, both from the graduates' and employers' perspectives;

(F) the value of such information to future students, institutions, accrediting agencies or associations, policymakers, and employers, including how the information would be used and the practical applications of the information;

(G) whether the request for such information is duplicative of information that is already being collected; and

(H) whether the National Postsecondary Student Aid Survey conducted by the National Center for Education Statistics could be amended to collect such information.

(b) REPORTS.—

(1) PRELIMINARY REPORT.—Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the authorizing committees a preliminary report regarding the study, assessments, and recommendations described in subsection (a).

(2) FINAL REPORT.—Not later than two years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the authorizing committees a final report regarding such study, assessments, and recommendations.

SEC. 1103. STUDY ON IPEDS.

The Comptroller General of the United States shall—

(1) conduct a study on the time and cost burdens to institutions of higher education associated with completing the

Integrated Postsecondary Education Data System (referred to in this section as the "IPEDS") survey, which shall—

(A) report on the time and cost burden of completing the IPEDS survey for four-year, two-year, and less than two-year institutions of higher education;

(B) present recommendations for reducing such burden; and

(C) report on the feasibility of collecting additional data from institutions for use in IPEDS, including information on the percentage of enrolled undergraduate students who graduate within two years (in the case of two-year institutions), and four, five, and six years (in the case of two- and four-year institutions), disaggregated by race and ethnic background and by income categories;

(2) not later than one year after the date of enactment of this Act, submit to the authorizing committees a preliminary report regarding the findings of the study described in paragraph (1); and

(3) not later than two years after the date of enactment of this Act, submit to the authorizing committees a final report regarding such findings.

SEC. 1104. REPORT AND STUDY ON ARTICULATION AGREEMENTS.

(a) STUDY REQUIRED.—The Secretary of Education shall conduct a study to review the articulation agreements at State-supported college and university systems, including junior or community colleges, as well as those at other institutions of higher education. Such study shall consider—

(1) the extent to which States and institutions have developed and implemented articulation agreements;

(2) with respect to the articulation agreements developed—

(A) the number and types of institutions participating in articulation agreements;

(B) the cost-savings to the participating institutions and to the students;

(C) what strategies are being employed, including common course numbering, general education core curriculum, and management systems;

(D) the effective use of technologies to contain costs, maintain quality of instruction, and inform students; and

(E) a description of the students to whom the articulation agreements are offered and, to the extent practicable, a description of the students who take advantage of the articulation agreements;

(3) best practices and innovative strategies employed to implement effective articulation agreements; and

(4) barriers to the implementation of articulation agreements, including technological and informational barriers.

(b) REPORT.—The Secretary of Education shall submit to the authorizing committees an interim report on the study required by subsection (a) not later than two years after the date of enactment of this Act and a final report on such study not later than January 1, 2013.

SEC. 1105. REPORT ON PROPRIETARY INSTITUTIONS OF HIGHER EDUCATION.

(a) IN GENERAL.—Not later than two years after the date of enactment of this Act, the Comptroller General of the United States

shall conduct an analysis of proprietary institutions of higher education subject to section 487(a)(24) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(24)) and shall submit to the authorizing committees a report that provides the results of the analysis.

(b) CONTENTS OF REPORT.—The report shall provide—

(1) the number of institutions subject to section 487(a)(24) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(24));

(2) the number and percentage of such institutions each year that do not comply with such section;

(3) the number of such institutions that are in compliance with such section at the time of submission of the report; and

(4) in the case of institutions that are in compliance with such section at the time of submission of the report, information on the extent to which such institutions' revenue is derived from funds provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), including information on the number of such institutions that derive not less than 85 percent of their revenues from funds provided under such title.

SEC. 1106. ANALYSIS OF FEDERAL REGULATIONS ON INSTITUTIONS OF HIGHER EDUCATION.

The Secretary of Education shall enter into an agreement with the National Research Council of the National Academy of Sciences for the conduct of a study to ascertain the amount and scope of all Federal regulations and reporting requirements with which institutions of higher education must comply. The study shall be completed not later than two years after the date of enactment of this Act, and shall include information describing—

(1) by agency, the number of Federal regulations and reporting requirements affecting institutions of higher education;

(2) by agency, the estimated time required and costs to institutions of higher education (disaggregated by types of institutions) to comply with the regulations and reporting requirements described in paragraph (1); and

(3) by agency, recommendations for consolidating, streamlining, and eliminating redundant and burdensome Federal regulations and reporting requirements affecting institutions of higher education.

SEC. 1107. INDEPENDENT EVALUATION OF DISTANCE EDUCATION PROGRAMS.

(a) INDEPENDENT EVALUATION.—The Secretary of Education shall enter into an agreement with the National Research Council of the National Academy of Sciences to conduct a statistically valid evaluation of the quality of distance education programs, as compared to campus-based education programs, at institutions of higher education. Such evaluation shall include—

(1) identification of the elements by which the quality of distance education can be assessed, which may include elements such as subject matter, interactivity, and student outcomes;

(2) identification of distance education program success, with respect to student achievement, in relation to the mission of the institution of higher education;

(3) identification of the benefits and limitations of distance education programs and campus-based programs for different

students (including classification of types of students by age category) by assessing access, job placement rates, graduation rates, and other factors related to persistence, completion, and cost; and

(4) identification and analysis of factors that may make direct comparisons of distance education programs and campus-based education programs difficult.

(b) SCOPE.—The National Research Council shall select for participation in the evaluation under subsection (a) a diverse group of institutions of higher education with respect to size, mission, and geographic distribution.

(c) INTERIM AND FINAL REPORTS.—The contract under subsection (a) shall require that the National Research Council submit to the authorizing committees—

(1) an interim report regarding the evaluation under subsection (a) not later than June 30, 2009; and

(2) a final report regarding such evaluation not later than June 30, 2010.

SEC. 1108. REVIEW OF COSTS AND BENEFITS OF ENVIRONMENTAL, HEALTH, AND SAFETY STANDARDS.

(a) REVIEW OF STANDARDS.—The Secretary of Education shall enter into an agreement with the National Research Council of the National Academy of Sciences to conduct a national study that—

(1) reviews, analyzes, and compares existing standards in environmental, health, and safety areas, for the regulation of—

(A) industrial research and development facilities; and

(B) research and teaching laboratories and facilities at institutions of higher education; and

(2) based upon the review in paragraph (1), develops recommended frameworks for alternative regulatory standards, if any, for research and teaching laboratories and facilities at institutions of higher education that—

(A) maintain the overall level of protection of the environment, and of the health and safety of those using such laboratories and facilities;

(B) reflect the need to ensure consistent application of Federal laws; and

(C) take into account the educational and research activities of institutions of higher education.

(b) REPORT.—The National Research Council shall report to Congress regarding the recommended frameworks for alternative regulatory standards developed under subsection (a). Such report shall contain recommendations for statutory or regulatory changes needed to implement the different standards described in subsection (a), and the projected costs and benefits resulting from the adoption of such standards.

SEC. 1109. STUDY OF MINORITY MALE ACADEMIC ACHIEVEMENT.

(a) STUDY REQUIRED.—The Secretary of Education shall carry out the following:

(1) Commission and ensure the conduct of a national study of underrepresented minority males (particularly African American, Hispanic American, Native American, Native Hawaiian, and Alaska Native males) completing high school, and entering

and graduating from colleges and universities in accordance with the following:

(A) The data comprising the study shall focus primarily on African American, Hispanic American, Native American, Native Hawaiian, and Alaska Native males and shall utilize existing data sources.

(B) The study shall focus on high school completion and preparation for college, success on the SAT and ACT, and minority male access to college, including the financing of college, and college persistence and graduation.

(C) The implementation of the study shall be in four stages based on the recommendations of the Commissioner for Education Statistics.

(2) Make specific recommendations to the authorizing committees and States on new approaches to increase—

(A) the number of minority males successfully preparing themselves for college study;

(B) the number of minority males graduating from high school and entering college; and

(C) the number of minority males graduating from college and entering careers in which they are underrepresented.

(b) SUBMISSION OF THE REPORT.—Not later than four years after the date of enactment of this Act, the Secretary of Education shall submit a report on the study required by subsection (a)(1), together with the recommendations required by subsection (a)(2), to the authorizing committees.

SEC. 1110. STUDY ON BIAS IN STANDARDIZED TESTS.

(a) STUDY.—The Secretary of Education shall enter into an agreement with the Board on Testing and Assessment of the National Academy of Sciences for the conduct of a study to identify any race, ethnicity, or gender bias in the content and construction of standardized tests that are used for admission to institutions of higher education.

(b) REPORT.—Not later than two years after the date of enactment of this Act, the Secretary of Education shall issue an interim report to the authorizing committees related to the progress of the study under subsection (a).

SEC. 1111. ENDOWMENT REPORT.

(a) ANALYSIS OF ENDOWMENTS.—The Comptroller General of the United States shall conduct a study on the amounts, uses, and public purposes of the endowments of institutions of higher education. The study shall include information (disaggregated by types of institutions) describing—

(1) the average and range of—

(A) the outstanding balance of such endowments; and

(B) the growth of such endowments over the last 20 years;

(2) the amount and percentage of endowment assets distributed on an annual basis for spending on education;

(3) the amount and percentage of endowment assets distributed on an annual basis for financial aid or for the purpose of reducing the costs of tuition, fees, textbooks, and room and board; and

(4) the extent to which the funds in such endowments are restricted, and the restrictions placed upon such funds.

(b) SUBMISSION OF REPORT.—The Comptroller General of the United States shall submit a report on the study required by subsection (a) to the authorizing committees not later than 18 months after the date of enactment of this Act.

SEC. 1112. STUDY OF CORRECTIONAL POSTSECONDARY EDUCATION.

(a) STUDY REQUIRED.—The Secretary of Education, in consultation with the Secretary of Labor and the Attorney General, shall—

(1) conduct a longitudinal study to assess the effects of correctional postsecondary education that—

(A) employs rigorous empirical methods that control for self-selection bias;

(B) measures a range of outcomes, including those related to employment and earnings, recidivism, engaged citizenship, impact on families of the incarcerated, and impact on the culture of the correctional institution;

(C) examines different delivery systems of postsecondary education, such as on-site and distance learning; and

(D) includes a projected cost-benefit analysis of the Federal investment in terms of reduction of future offending, reduction of future prison costs (construction and operational), increased tax payments by formerly incarcerated individuals, a reduction of welfare and other social service costs for successful formerly incarcerated individuals, and increased costs from the employment of formerly incarcerated individuals; and

(2) make specific recommendations to the authorizing committees and the relevant State agencies responsible for correctional education, such as the State superintendents of education and State secretaries of corrections, on best approaches to increase correctional education and its effectiveness.

(b) SUBMISSION OF REPORTS.—Not later than three years after the date of enactment of this Act, the Secretary of Education shall submit an interim report on the progress of the study required by subsection (a)(1) to the authorizing committees. Not later than seven years after the date of enactment of this Act, the Secretary of Education shall submit a final report, together with the recommendations required by subsection (a)(2), to the authorizing committees.

SEC. 1113. STUDY OF AID TO LESS-THAN-HALF-TIME STUDENTS.

(a) STUDY REQUIRED.—The Secretary shall conduct a study on making and expanding the student aid available under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) to less-than-half-time students. The Secretary shall submit a report on the results of such study, including the Secretary's recommendations, to the authorizing committees not later than one year after the date of enactment of this Act.

(b) SUBJECTS FOR STUDY.—The study required by this section shall, at a minimum, examine the following:

(1) The existing sources of Federal aid for less-than-half-time students seeking a college degree or certificate.

(2) The demand for Federal aid for less-than-half-time students and whether the demand is satisfied by existing sources of Federal aid, taking into consideration not only the number of less-than-half-time students currently seeking a college

degree or certificate, but also any increase in the number of less-than-half-time students that may result from an expansion of Federal aid for less-than-half-time students seeking a college degree or certificate.

(3) The potential costs to the Federal Government and the potential benefits that could be received by students resulting from expanding Federal aid for less-than-half-time students seeking a college degree or certificate.

(4) The barriers to expanding Federal aid for less-than-half-time students, including identifying—

(A) statutory and regulatory barriers, such as student eligibility, institutional eligibility, needs analysis, program integrity, and award amounts; and

(B) other factors that may limit participation in an expanded Federal aid program for less-than-half-time students.

(c) RECOMMENDATIONS TO BE PROVIDED.—The Secretary's recommendations under this section shall include recommendations for designing a demonstration student loan program tailored to less-than-half-time students. The recommendations shall include any required statutory or regulatory modifications, as well as proposed accountability mechanisms to protect students, institutions, and the Federal investment in higher education.

(d) DEFINITIONS.—In this section—

(1) the term "Secretary" means the Secretary of Education; and

(2) the term "less-than-half-time student" means a student who is carrying less than one-half the normal full-time work load for the course of study that the student is pursuing, as determined by the institution such student is attending.

SEC. 1114. STUDY ON REGIONAL SENSITIVITY IN THE NEEDS ANALYSIS FORMULA.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to review the methodology that is used to determine the expected family contribution under part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk et seq.).

(b) STUDY COMPONENTS.—The study conducted under subsection (a) shall identify and evaluate the needs analysis formula under part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk et seq.) and examine the need for regional sensitivity in need analysis. The study shall include—

(1) the factors that are used to determine a student's expected family contribution under part F of title IV of the Higher Education Act of 1965;

(2) the varying allowances that are made in calculating the expected family contribution;

(3) the effects of the income protection allowance on all aid recipients; and

(4) options for modifying the income protection allowance to reflect the significant differences in the cost of living in various parts of the United States.

(c) REPORT.—Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall report to the authorizing committees on the results of the study conducted under this section.

SEC. 1115. STUDY OF THE IMPACT OF STUDENT LOAN DEBT ON PUBLIC SERVICE.

(a) STUDY.—The Secretary of Education, in consultation with the Office of Management and Budget, is authorized to coordinate with an organization with expertise in the field of public service, such as the National Academy of Public Administrators or the American Society for Public Administration, to coordinate with interested parties to conduct a study of how student loan debt levels impact the decisions of graduates of postsecondary and graduate education programs to enter into public service careers. Such study shall include—

(1) an assessment of the challenges to recruiting and retaining well-qualified public servants, including the impact of student loan debt;

(2) an evaluation of existing Federal programs to recruit and retain well-qualified public servants;

(3) an evaluation of whether additional Federal programs could increase the number of graduates of postsecondary and graduate education programs who enter careers in public service; and

(4) recommendations for programs that could encourage new graduates of postsecondary and graduate education programs to enter public service careers.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of Education, in consultation with the Office of Management and Budget, shall submit to the authorizing committees a report related to the findings of the study conducted under subsection (a).

SEC. 1116. STUDY ON TEACHING STUDENTS WITH READING DISABILITIES.

(a) INDEPENDENT EVALUATION.—The Secretary of Education shall enter into an agreement with the Center for Education of the National Academies for a scientifically-based study of the quality of teacher education programs—

(1) to determine if teachers are adequately prepared to meet the needs of students with reading and language processing disabilities, including dyslexia; and

(2) to determine the extent to which teacher education programs are based on the essential components of reading instruction and scientifically valid research.

(b) COMPONENTS.—The study conducted under subsection (a) shall be designed to provide statistically reliable information on—

(1) the number, type of courses, and credit hours required to meet the requirements of reading degree programs of teacher education programs; and

(2) the extent to which the content of the reading degree programs are based on—

(A) the essential components of reading instruction and scientifically valid research, including phonemic awareness, phonics, fluency, vocabulary, and comprehension; and

(B) early intervention strategies based on scientific evidence concerning challenges to the development of language processing capacity, including dyslexia, and the extent to which such strategies are effective in preventing reading failure before it occurs.

(c) SCOPE.—The Director of the Center for Education of the National Academy of Sciences shall select for participation in the study under subsection (a) a diverse group of institutions of higher education with respect to size, mission, and geographic distribution.

(d) INTERIM AND FINAL REPORTS.—The Director of the Center for Education of the National Academy of Sciences shall submit to the authorizing committees and the Secretary of Education—

(1) an interim report regarding the study under subsection (a) not later than one year after the date the Center for Education of the National Academies enters into an agreement with the Secretary of Education under this section; and

(2) a final report summarizing the findings, conclusions, and recommendations of such study not later than two years after the date the Center for Education of the National Academies enters into such agreement.

(e) TASK FORCE.—

(1) ESTABLISHMENT.—Upon submission of the final report under subsection (d)(2), the Secretary of Education shall establish a task force to make policy recommendations to the Secretary regarding the findings of the report.

(2) MEMBERSHIP.—The membership of the task force established under paragraph (1) shall include chief State school officers, State reading consultants, master teachers, national reading experts, and researchers with expertise in relevant fields.

(3) PUBLIC HEARINGS.—The task force established under paragraph (1) shall hold public hearings to provide an opportunity for public comment on the recommendations made under paragraph (1).

SEC. 1117. REPORT ON INCOME CONTINGENT REPAYMENT THROUGH THE INCOME TAX WITHHOLDING SYSTEM.

(a) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary of Education and the Secretary of the Treasury shall conduct a study to determine the feasibility and benefits of developing a system through which a borrower who is repaying a loan through the income contingent repayment plan or the income-based repayment program may make payments on the loan using the income tax withholding system (referred to in this section as "direct IDEA loans"). The goal of this program would be to—

(1) streamline the repayment process and provide greater flexibility for borrowers electing to use the direct IDEA loan;

(2) reduce the number of loan defaults by borrowers; and

(3) reduce the redundancy in reporting information pertaining to income contingent repayment and income-based repayment to the Department of Education, institutions, and applicants.

(b) EVALUATIONS.—In conducting the study under subsection (a), the Secretary of Education and the Secretary of the Treasury shall evaluate—

(1) the feasibility of implementing direct IDEA loans by the Department of Education and the Department of the Treasury;

(2) any advantages or disadvantages of direct IDEA loans on borrowers and taxpayers;

(3) the program structure necessary to administer direct IDEA loans; and

(4) whether the repayment programs that implement income contingent and income-based repayment collected through revenue services, such as programs in England, Australia, and New Zealand, could be effective in collecting loan payments under the income contingent and income-based repayment options in the United States.

(c) RECOMMENDATIONS.—Not later than one year after the date of enactment of this Act, the Secretary of Education and the Secretary of the Treasury shall provide a report on the study conducted under subsection (a) to Congress. The report shall include recommendations based on the factors examined in subsection (b) for implementing direct IDEA loans, including the necessary statutory changes needed to implement such repayment option.

SEC. 1118. DEVELOPING ADDITIONAL MEASURES OF DEGREE COMPLETION.

(a) IN GENERAL.—The Secretary of Education, in coordination with the Commissioner for Education Statistics and after consultation with representatives from diverse institutions of higher education, students, experts in the field of higher education policy, State higher education officials, and other stakeholders in the higher education community, shall issue a report with recommendations to Congress about alternatives ways to measure and report degree or program completion rates for institutions of higher education receiving funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(b) MEASURES TO TAKE INTO CONSIDERATION.—The alternative measures described in subsection (a) shall consider—

(1) the number of degrees awarded and the increase in number of degrees awarded disaggregated by race, ethnicity, gender, and income for all students who have earned a degree; and

(2) the increase in degrees awarded in high-need fields such as science, technology, engineering, mathematics, education, and nursing.

SEC. 1119. STUDY ON THE FINANCIAL AND COMPLIANCE AUDITS OF THE FEDERAL STUDENT LOAN PROGRAM.

(a) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall complete a study to examine all the financial and compliance audits and reviews required or conducted as part of the proper management of the Federal student loan programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.), whether each such audit or review is required under a law or is otherwise performed in order to evaluate a program.

(b) CONTENT OF STUDY.—

(1) COMPARISON OF AUDITS AND REVIEWS UNDER PARTS B AND D OF TITLE IV.—As part of the study under subsection (a), the Comptroller General of the United States shall compare the audits and reviews of programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.) for purposes of—

(A) determining whether such audits and reviews are comparable among programs;

(B) determining whether such audits and reviews result in a level of protection of borrower interests and of Federal fiscal interests that is comparable for each program; and

(C) determining the extent to which the Department of Education ensures timely submission of required financial and compliance audits and reviews and compliance with statutory and regulatory requirements.

(2) ADDITIONAL CONTENT OF STUDY.—The study under subsection (a) shall—

(A) provide a list of the financial and compliance audits and reviews required or conducted as part of the proper management of the Federal student loan programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.);

(B) determine the frequency of each audit and review;

(C) provide a list of the entities and activities that are the subject of each audit and review, including institutions of higher education, servicers, secondary markets, guaranty agencies, the Department of Education and the contractors of the Department of Education, and any other entities that are required to participate in the audit or review;

(D) determine the degree of individual borrower level reconciliation required under Federal student loan programs under such parts B and D of title IV;

(E) make recommendations with respect to such audits and reviews to ensure—

(i) such audits and reviews are comparable among Federal student loan programs under such parts B and D of title IV; and

(ii) a level of protection of borrower interests and of Federal fiscal interests that is comparable for Federal student loan programs under such parts B and D of title IV, to the extent such comparability does not exist; and

(F) assess the extent to which the Department of Education makes appropriate use of such financial and compliance audits and reviews in the Department's administration and oversight of the Federal student loan programs under such parts B and D of title IV.

SEC. 1120. SUMMIT ON SUSTAINABILITY.

Not later than September 30, 2010, the Secretary of Education, in consultation with the Administrator of the Environmental Protection Agency, shall convene a summit of higher education experts working in the area of sustainable operations and programs, representatives from agencies of the Federal Government, and business and industry leaders to focus on efforts of national distinction that—

(1) encourage faculty, staff, and students at institutions of higher education to establish administrative and academic sustainability programs on campus;

(2) enhance research by faculty and students at institutions of higher education in sustainability practices and innovations that assist and improve sustainability;

(3) encourage institutions of higher education to work with community partners from the business, government, and nonprofit sectors to design and implement sustainability programs for application in the community and workplace;

(4) identify opportunities for partnerships involving institutions of higher education and the Federal Government to expand sustainable operations and academic programs focused on environmental and economic sustainability; and

(5) charge the summit participants or steering committee to submit a set of recommendations for addressing sustainability through institutions of higher education.

SEC. 1121. NURSING SCHOOL CAPACITY.

(a) FINDINGS.—Congress finds the following:

(1) Researchers in the field of public health have identified the need for a national study to identify constraints encountered by schools of nursing in graduating the number of nurses sufficient to meet the health care needs of the United States.

(2) The shortage of qualified registered nurses has adversely affected the health care system of the United States.

(3) Individual States have had varying degrees of success with programs designed to increase the recruitment and retention of nurses.

(4) Schools of nursing have been unable to provide a sufficient number of qualified graduates to meet the workforce needs.

(5) Many nurses are approaching the age of retirement, and the problem worsens each year.

(6) In 2004, an estimated 125,000 applications from qualified applicants were rejected by schools of nursing, due to a shortage of faculty and a lack of capacity for additional students.

(b) STUDY WITH RESPECT TO CONSTRAINTS WITH RESPECT TO SCHOOLS OF NURSING.—

(1) IN GENERAL.—The Secretary shall enter into an agreement with the Institute of Medicine of the National Academy of Sciences to conduct a study for the purpose of—

(A) identifying constraints encountered by schools of nursing in admitting and graduating the number of registered nurses necessary to ensure patient safety and meet the need for quality assurance in the provision of health care; and

(B) developing recommendations to alleviate the constraints on a short-term and long-term basis.

(2) CERTAIN COMPONENTS.—The Secretary shall ensure that the agreement under paragraph (1) provides that the study under such paragraph will include information on the following:

(A) The trends in applications for attendance at schools of nursing that are relevant to the purpose of the study, including trends regarding applicants who are accepted for enrollment and applicants who are not accepted, particularly qualified applicants who are not accepted.

(B) The number and demographic characteristics of entry-level and graduate students currently enrolled in schools of nursing, the retention rates at the schools, and

the number of recent graduates from the schools, as compared to previous years and to the projected need for registered nurses based on two-year, five-year, and ten-year projections.

(C) The number and demographic characteristics of nurses who pursue graduate education in nursing and non-nursing programs but do not pursue faculty positions in schools of nursing, the reasons for not pursuing faculty positions, including any regulatory barriers to choosing to pursue such positions, and the effect of such decisions on the ability of the schools to obtain adequate numbers of faculty members.

(D) The extent to which—

(i) entry-level graduates of the schools of nursing are satisfied with their educational preparation, including their participation in nurse externships, internships, and residency programs; and

(ii) such entry-level graduates are able to effectively transition into the nursing workforce.

(E) The satisfaction of nurse managers and administrators with respect to the preparation and performance levels of entry-level graduates from the schools after one year, three years, and five years of practice, respectively.

(F) The extent to which the current salary, benefit structures, and characteristics of the workplace, including the number of nurses who are presently serving in faculty positions, influence the career path of nurses who have pursued graduate education.

(G) The extent to which the use of innovative technologies for didactic and clinical nursing education might provide for an increase in the ability of schools of nursing to train qualified nurses.

(3) RECOMMENDATIONS.—The Institute of Medicine may include in the recommendations developed under paragraph (1)(B) recommendations for legislative or administrative changes at the Federal or State level, and measures that can be taken in the private sector—

(A) to facilitate the recruitment of students into the nursing profession;

(B) to facilitate the retention of nurses in the workplace; and

(C) to improve the resources and ability of the education and health care systems to prepare a sufficient number of qualified registered nurses.

(4) METHODOLOGY OF STUDY.—

(A) SCOPE.—The Secretary shall ensure that the agreement under paragraph (1) provides that the study under such paragraph will consider the perspectives of—

(i) nurses and physicians in each of the various types of inpatient, outpatient, and residential facilities in the health care delivery system;

(ii) faculty and administrators of schools of nursing;

(iii) providers of health plans or health insurance; and

(iv) consumers.

(B) CONSULTATION WITH RELEVANT ORGANIZATION.—The Secretary shall ensure that the agreement under paragraph (1) provides that relevant agencies and organizations with expertise on the nursing shortage will be consulted with respect to the study under such paragraph, including the following:

(i) The Agency for Healthcare Research and Quality.

(ii) The American Academy of Nursing.

(iii) The American Association of Colleges of Nursing.

(iv) The American Nurses Association.

(v) The American Organization of Nurse Executives.

(vi) The National Institute of Nursing Research.

(vii) The National League for Nursing.

(viii) The National Organization for Associate Degree Nursing.

(ix) The National Student Nurses Association.

(5) REPORT.—The Secretary shall ensure that the agreement under paragraph (1) provides that, not later than 18 months after the date of enactment of this section, the Institute of Medicine shall submit a report providing the findings and recommendations made in the study under this section to the Secretary and the authorizing committees.

(6) OTHER ORGANIZATION.—If the Institute of Medicine declines to conduct the study under paragraph (1), the Secretary may enter into an agreement with another appropriate private entity to conduct the study.

(c) DEFINITIONS.—In this section:

(1) TERMS IN PUBLIC HEALTH SERVICE ACT.—The terms "collegiate school of nursing", "associate degree school of nursing", and "diploma school of nursing" have the meanings given to such terms in section 801 of the Public Health Service Act (42 U.S.C. 296).

(2) SCHOOL OF NURSING.—The term "school of nursing" means a collegiate school of nursing, an associate degree school of nursing, or a diploma school of nursing in a State.

(3) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 1122. STUDY AND REPORT ON NONINDIVIDUAL INFORMATION.

(a) DEFINITIONS.—In this section:

(1) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term "historically Black college or university" has the meaning given the term "part B institution" in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061).

(2) TRUTH IN LENDING ACT.—The terms "covered educational institution" and "private education loan" have the meanings given the terms in section 140 of the Truth in Lending Act, as added by title X.

(b) STUDY.—The Comptroller General of the United States shall conduct a study—

(1) on the impact on and benefits to borrowers of the inclusion of nonindividual factors, including cohort default rate, accreditation, and graduation rate at institutions of higher

education, used in the underwriting criteria to determine the pricing of private education loans;

(2) to examine whether and to what extent the inclusion of such nonindividual factors—

(A) increases access to private education loans for borrowers who lack credit history or results in less favorable rates for such borrowers; and

(B) affects the types of private education loan products and rates available at certain institutions of higher education, including a comparison of such impact—

(i) on private and public institutions; and

(ii) on historically Black colleges and universities and institutions of higher education; and

(3) to assess the extent to which the use of such nonindividual factors in underwriting may have a disparate impact on the pricing of private education loans, based on gender, race, income level, and covered educational institution.

(c) REPORT.—Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Financial Services of the House of Representatives on the results of the study required by this section.

SEC. 1123. FEASIBILITY STUDY FOR STUDENT LOAN CLEARINGHOUSE.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study of the feasibility of developing a national student loan clearinghouse on the website of the Department of Education that would provide for one or more of the following:

(1) A registry of real-time information on Federal student loans (including loans under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.) and private education loans (as defined in section 140 of the Truth in Lending Act)), for both undergraduate and graduate students, and parents of students, for use by prospective borrowers or any person desiring information regarding available interest rates, fees, and other terms from lenders.

(2) A mechanism whereby prospective borrowers could be matched with lenders that offer highly competitive products and loan servicing quality, including any procedures and safeguards necessary to minimize potentially adverse effects of multiple inquiries into participating borrowers' credit histories recorded by consumer reporting agencies.

(3) Options concerning the establishment and ongoing maintenance of such a system, including whether such a system should be operated by one or more entities, and methods to finance such a system at no or minimal cost to consumers and the Government.

(4) Other features that could help prospective borrowers make informed decisions in selecting lenders from whom to obtain Federal and private education loans.

(b) CONSULTATION.—In conducting the study under subsection (a), the Comptroller General of the United States shall consult with—

(1) the Secretary of Education;

(2) the Federal Trade Commission;

(3) representatives of student loan borrowers;

(4) representatives from institutions of higher education, including financial aid administrators, registrars, business officers, and student affairs officials;

(5) Federal and private educational lenders (as defined in section 140 of the Truth in Lending Act), loan servicers, and guaranty agencies; and

(6) other appropriate entities with relevant experience.

(c) REPORT.—Not later than two years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the authorizing committees a report on the study conducted under subsection (a).

SEC. 1124. STUDY ON DEPARTMENT OF EDUCATION OVERSIGHT OF INCENTIVE COMPENSATION BAN.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of efforts by the Secretary of Education to enforce the provisions of section 487(a)(20) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(20)); and

(2) submit to the authorizing committees a report that provides the results of such study.

(b) CONTENT OF REPORT.—The report submitted under subsection (a) shall include—

(1) an analysis of the nature, extent, and effectiveness of the Secretary of Education's activities to enforce the provisions of section 487(a)(20) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(20));

(2) the number of institutions of higher education for which investigations were initiated by the Secretary for potential violations of such section since 1998;

(3) in cases where violations of such section by institutions of higher education were substantiated by the Secretary—

(A) the names of such institutions;

(B) the nature of the violations; and

(C) the penalty, if any, imposed by the Secretary for such violations;

(4) an analysis of the impact of the "safe harbor" regulations under section 668.14(b)(22)(ii)(A) through (L) of title 34, Code of Federal Regulations, promulgated under such section 487(a)(20), on the number and nature of cases examined by the Secretary for potential violations of such section 487(a)(20), including whether the number of cases examined by the Secretary has increased or decreased since such regulations went into effect;

(5) information on the extent to which the Secretary has considered efforts by States to examine unethical or unlawful student recruitment or admissions practices by institutions of higher education, including practices that violate the provisions of such section 487(a)(20); and

(6) information on the extent to which the Secretary reviews publicly-available documents, such as filings to the Securities and Exchange Commission, to monitor the compliance of institutions of higher education with the provisions of such section 487(a)(20).

SEC. 1125. DEFINITION OF AUTHORIZING COMMITTEES.

For purposes of this title, the term "authorizing committees" has the meaning given such term in section 103 of the Higher Education Act of 1965, as amended by this Act.

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.